

**IREDELL COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING MINUTES
MONDAY, APRIL 2, 2007**

The Iredell County Board of Commissioners held a Special Meeting on Monday, April 2, 2007, at 6:00 P.M., in the Agricultural Resource Center, 444 Bristol Drive, Statesville, NC.

Board Members Present
Chairman Marvin Norman
Vice Chairman Sara Haire Tice
Steve Johnson
Ken Robertson
Godfrey Williams

Staff present: County Manager Joel Mashburn, County Attorney Bill Pope, Deputy County Manager Susan Blumenstein, and Clerk to the Board Jean C. Moore

PURPOSE OF THE SPECIAL MEETING: The purpose of the meeting was to allow the Iredell-Statesville Board of Education, and school staff, the opportunity to present a proposal regarding the purchase of 96 acres of land known as the Dana Corporation property (1293 Glenway Drive, Statesville, NC).

Attending the meeting from the school system were:

Board of Education members:

Dr. David Cash, Chairman
Dr. Ken Wilson, Vice Chairman
Bill Brater
Charles Kelly
John Rogers
Karen Watson
Keith Williams

I-S School staff:

Dr. Terry Holliday, Superintendent
Rob Jackson, Director of School Construction
Dr. Kenny Miller, Director of Maintenance Services
(Other central office staff and educational personnel also attended.)

CALL TO ORDER OF COMMISSIONERS: Chairman Norman called the board of commissioners to order. (The school board was already in session.)

Dr. Cash said a Dana project feasibility study, with costs up to \$200,000 had been authorized, but the final environment report was still pending.

Dr. Holliday said that if another interested party upset the property bid, I-SS could recoup the \$200,000. He noted, however, that if I-SS did not follow through, the \$200,000 would be lost.

Dr. Holliday, Dr. Miller, and Rob Jackson then gave a presentation on the property and noted the industrial building had 10 acres under roof. (The building has one-half million square feet.)

Key points in the presentation were as follows:

The Dana Project

Vision

Create a 21st century K-14 educational facility that provides rigorous, relevant & unique programs for students to compete in a global economy, and provide a cost effective, lifelong learning environment for school staff and community.

Facility Highlights

- K-5 replacement for Northview & Ebenezer
- 6-12 International Baccalaureate Program
- 21st Century Skills Academy
- Mitchell Community College programs
- Small Business Incubator
- Consolidated Central Office Support Services

Components of Feasibility Study

- Traffic study
- Code modifications
- Seismic requirements
- Environmental study
- Cost analysis
- Revenue Stream Study
- Economic Development Study
- Programmatic Study

Traffic Study Results

- 5 intersection studies; 4 found to be acceptable
- 2 intersections already require improvements; DOT working on one (Jane Sowers/21)
- Additional turn lanes required for Jane Sowers/21 and James Farm/21
- Opportunity to partner with current and future developers
- Alternative school site on Hwy. 21 could be much worse
- Dana could be a leverage for tax increment financing and infrastructure improvements
- City has requested Northview/Ebenezer replacement remain in city limits

Environmental Study Results

- Phase I environmental site assessment (ESA) complete (12/06)
- Phase II study results met all standards for soil & groundwater (01/07)
- Soil gases identified during Phase II (similar to homeowner finding radon)
- Additional soil gas testing was performed as recommended (02/07)
- Storage of 10,000 diesel engines a possible contributor to the soil gases
- Ongoing warranty work by Dana (spray painting)
- Remediation as needed to remove soil gases
- Remediation approximately an 18-month process
- Cost estimated \$500,000-\$750,000 (partner with Dana)
- Current recommendation: Continue to exceed regulatory requirements by asking DENR to review findings
- DENR process would take approximately 4-6 months
- Remediation and DENR review conducted simultaneously
- Property closing estimated September 30, 2007
- Elementary school would open fall of 2009
- Bottom line: The site must be 100% safe for children

(Dr. Miller said the site would have to be 100% environmentally clean to house children. He noted that VOCs (volatile organic compounds) were around everyone each day as well as chemicals from carpets and car seats.)

Objectives

- Replacement of Northview & Ebenezer elementaries
 - Math, science & technology magnet
 - Shared space
 - 112,000 ft² vs. 90,000 ft²
- Provide additional seats for K-12 growth
 - 300 additional K-5 seats
 - Will serve 1,800 9-12 students
 - Will serve 900 community-based students
- Reform high school to lower dropout rate
 - Rigorous 6-12 International Baccalaureate Program
 - Relevance-Duplicate successful programs such as auto tech in areas such as health care, culinary arts, criminal justice, biotechnology, broadcast journalism & technology
 - Relationships-Provide smaller learning communities & internships with business start-ups located onsite
- Provide community lifelong learning opportunities
 - Partnership with Mitchell Community College for degree and workforce development programs (truck driving, criminal justice, health care, technology and small business support)
- Provide partnership for economic development
 - Provide 100,000 ft² for small business start-ups & Mitchell Community College courses
 - Provide internship opportunities for students
 - Low-cost lease provides revenue for I-SS/Chamber (100,000 ft² @ 5.00/year = \$500,000/year)
- Delay the need for a 6th high school
 - Delays Phase III 2010-11 to 2013-14
 - Provides more rigorous & relevant opportunities for students in a more effective & efficient setting
- Provide a low-cost replacement for central office support services
 - Existing facilities have exceeded their life expectancy
 - Current facilities are inefficient
 - Current set-up requires duplicate staff & excessive travel
- More efficiently operate central office support services
 - Guaranteed savings of \$500,000 per year to be moved to capital outlay budget
 - Energy
 - Repair/replacement
 - Travel expenses
 - Duplicate staff reduction

Final Objective

- Save taxpayer money

How does it Save Taxpayer Money?

- New elementary school = \$23.3 million vs. 21st Century Center = \$20 million
- New high school = \$61.7 million vs. 21st Century Center = \$19 million
- New support services = \$17.1 million vs. 21st Century Center = \$4.5 million
- Purchase of Dana Facility = \$10 million
- New facilities = \$102 million vs. 21st Century Center = \$53 million

Total Savings: \$49 million

How to Pay for it?

● Four year budget	
Debt retirement for elementary school (county)	\$ 6.0
Capital outlay/fund balance (ISS/county)	\$11.4
More efficient central office operation (ISS)	\$ 2.0
Property sales (ISS)	\$5.0
Revenue from leased space (ISS)	\$.64
<u>Total 4-year revenue projections</u>	<u>\$25.04 million</u>

How to Pay for it?

● Four year budget	
Purchase of Dana facility	\$9.75
Undesignated balance from FY 06 capital	\$1.2
Undesignated balance from FY 07 capital	\$2.9
Undesignated balance from FY 08 capital	\$3.7
Deposit	\$.25
ISS fund balance	\$1.7
1 st Phase elementary school debt retirement	\$6.0
<u>Total 4-year costs</u>	<u>\$15.75 million</u>

How to Pay for it?

● Additional Potential Revenue	
Statewide bond referendum	\$7.0
Local option ½ cent sales tax	\$7.0
Tax rebates	\$.4
<u>Total Potential Yearly Revenue</u>	<u>\$14.4 million</u>

Additional

No property tax increase required
No interference with timelines for other planned construction projects

Comments and Concerns Expressed by the Commissioners

Commissioner Robertson asked about the Department of Transportation (DOT) “design work,” and he said just because this was scheduled, it didn’t necessarily mean funding had been appropriated. Robertson also asked what happened, if after purchasing the property, people started having medical problems and the blame was placed on the environmental issues.

Dr. Miller said the Terracom Company could not give a guarantee on the environmental safety issue.

Dr. Holliday said the school system wanted the Department of Environment and Natural Resources involved because of the “What if?” scenario.

Commissioner Williams asked if the soil contaminants were indoors or outdoors, and he was told both areas. He questioned why a facility in the Mooresville area wasn’t being addressed first, since the growth was primarily there.

Dr. Holliday said a new superintendent would soon be with the Mooresville Graded System, and discussions on a regional high school had been curtailed for this reason. He said growth was occurring in all areas of the county.

Commissioner Tice said Lake Norman High had been built for \$24 million compared to the extensive remodeling project at Statesville High costing over \$30 million (Phase I @ \$19 million & Phase II @ \$13 million). She said now, the system was proposing a new school in

Statesville. Tice asked what the system planned to do with the growth at Lake Norman High, and how she was supposed to address her constituents when they questioned this disparity and the need for more educational facilities in the southern end. Tice said she agreed with Mr. Williams that a school needed to be built where the growth was occurring.

Holliday said there were mega units at Lake Norman, but it was the watershed issue that needed to be addressed. He said the school would be fine next year, and the modular units would carry the system through 2010. Dr. Holliday said 200 to 300 southern end high school students could be remedied with the Dana concept, plus this facility was currently available while nothing similar was on the market in Mooresville.

Commissioner Johnson said some environmental standards were unrealistic, but he asked if the school officials were comfortable that the site could be cleaned up. Johnson also questioned some of the DOT's findings, especially in regards to no changes or improvements being needed for the Glenway Drive/Hwy. 21 intersection.

In regards to the environmental question, Dr. Miller said yes -- they were satisfied the site could be cleaned up.

Dr. Holliday said Lake Norman High had more students in the auto tech program than any other high school. He also mentioned that a large percentage of students at Statesville Christian School came from the lake area.

(Due to the meeting being for informational purposes, no action was taken by the board of commissioners.)

ADJOURNMENT: **MOTION** by Commissioner Tice to adjourn the meeting at 7:40 p.m. (The school board then resumed its regularly scheduled meeting.)

VOTING: Ayes – 5; Nays – 0.

Approved: _____

Clerk to the Board