

The Randolph Southern School Corporation Board of School Trustees met for a special meeting on November 18, 2019 in the Superintendent's Office Board Room. The following members were present:

Eric Retter, President
Patricia Tillson, Vice President
Thomas McFarland, Secretary
Janet Caudle, Member
Michael Miller, Member

Eric Retter called the meeting to order at 5:30 PM.

The purpose of the meeting was to discuss the UNESCO Renovation proposal. Discussion to move forward on the renovation of the High School Chiller and the High School PE/Locker Room areas as presented was held. Mr. Scott Brown was present from UNESCO. Kevin Thueringer & Jason Akin from UNESCO were present virtually through Zoom Meeting software.

Superintendent Donnie Bowsman reviewed the Facility Needs Assessment commissioned by Schmidt Associates in May 2016 for \$10,478.06. The project has been adjusted for inflation and building cost increases to equate to a 2019 estimated price of \$650,000. Superintendent Bowsman reported that this project was cosmetic and did not add walls, move walls, remove plumbing, add ventilation or public restrooms. Superintendent Bowsman reviewed the RFP presented to UNESCO. The design work and renovation recommendations presented by Architect Kevin Thueringer, CFO Jason Akin, and Engineer Scott Brown aligns with the presentation at the board meeting on November 11, 2019. Kevin Thueringer discussed the proposal from the November 11 board meeting. Superintendent Bowsman reviewed the bond receipts, fees, and estimated construction costs. The bond sold at an excellent interest rate (2%). This is a direct result of our excellent credit rating. RSSC payments will be \$218,000 for 2020, \$394,000 for 2021, and approximately \$300,000 for the next 5 years from 2022-2027. The bond sold at such a low cost that we received a premium option which allows us to utilize these funds toward the project. RSSC funds currently available are \$1,850,000 with the bond premium \$111,291.40 = **\$1,961,291.40**. Jim Elizondo, financial advisor with Stifel, provided me the following cost for issuing the bond:

Financial Manager Stifel = \$19,000
Bond Counsel (Ice Miller) = \$28,995.29
Cockerill and Cockerill (Attorney) = \$5,000
S & P Bond Rating = \$9,500
U.S. Bank Trustee = \$2,100
Randolph County Abstract: Title Insurance = \$4,035
Appraisals & Survey (Matt Nepote & American United Appraisal Co) = \$4,500

Other Miscellaneous Fees = \$5,000
TOTAL = \$78,130.29

Estimated Construction Costs:

UNESCO (Construction Manager & Architect) = \$158,000 (firm cost)
Roof (Moisture Management) = \$750,000 estimate
Chiller = \$330,000 estimate
PE/Locker Room Renovation = \$840,000 estimate
TOTAL = \$2,078,000

GRAND TOTAL = \$2,156,130.29 - \$1,961,291 = \$194,838.89 short

Superintendent Bowsman stated that these figures were worst case scenario based upon construction estimates provided by UNESCO, Moisture Management, and Trane.

Superintendent Bowsman stated that the school corporation has options to pay for the construction costs if it chooses to exercise them. There will be **\$104,525.00** of windmill funds coming in 2020 that can be utilized toward this project. This brings us down to **\$90,313.89** short. The school corporation is scheduled to receive \$130,656.00 of windmill funds in 2021. The windmill funds were a tax levy abatement and would have originally went into the CPF, Bus Replacement, and Transportation Funds. The following items/projects were earmarked for prospective projects in the 2020 CPF budget. The Board and Superintendent could pick and choose items based upon urgency and needs until 2021.

Those items/projects include:

New lawn mower = \$15,000
Auto Scrubber for janitorial staff = \$15,000
Annex East Side Door Repair = \$11,000
RSHS Chilled Water Pipe & Control Valve Insulation = \$9,000
Band Equipment = \$5,000
Graduation Stage = \$7,000
RSE Cafeteria Stall Replacement = \$8,000
RSE Annex Roof Flashing Replacement = \$8,000
North Parking Lot Lighting Upgrade = \$21,000
Outdoor Lighting Upgrades = \$5,000
RSE Gym Painting = \$9,500
North Parking Lot Overlay = \$60,000
RSE Classroom Carpet Replacement (3) = \$12,000
Purchase of Mobile Fixed Equipment (Budget each Principal, Cafeteria, Bus Barn, & Central Office) = \$28,000
Budget and Payroll Software Upgrade from Boyce Systems = \$51,000

Superintendent Bowsman reported that Boyce Systems could not complete the budget and payroll software upgrade until 2021 due to the number of clients on a waiting list. Therefore, these earmarked funds (\$51,000) could be utilized toward the 2020 Bond Renovation project. This would bring the total funds needed to complete the project to **\$40,313.89**. Superintendent Bowsman reminded the board that these are worst case estimates. There is no way to know the actual cost at this time. The actual bids for the roof, chiller, and renovation could be lower. Superintendent Bowsman stated that the school corporation also had \$785,445.74 in Rainy Day Fund.

The Board expressed concern that the corporation would not have enough funds to complete the project. Superintendent Bowsman agreed. The chiller and roof were the first priorities with the renovation coming last. Architect Kevin Thueringer explained that the board is not mandated to accept the bid for the PE/Locker Room renovation if it is higher than the estimated budget. It could be postponed until 2021. Mr. Thueringer also stated that the cost estimates would likely increase if postponed due to construction costs, inflation, and recent tariffs. Superintendent Bowsman told the Board that there will be approximately \$650,000 left after the chiller and roof projects are completed. Per Indiana law, the remaining funds must be utilized toward the original intent of the bond (PE/Locker room renovation). There will be another \$104,525 of windmill funds available in February 2020 that the Board can earmark towards a project or use as they see fit.

Architect Kevin Thueringer reviewed the reasoning for gutting the entire PE/Locker Room area and increased cost. There are support columns that are not on the original construction prints. UNESCO cannot determine at this time whether the concrete floor has reinforced padding where columns and support walls currently exist. Engineers must evaluate this area and certain sections of concrete may be saved. The school corporation is adding new toilets and fixtures. The additional fixtures require new upgraded plumbing to handle sewage capacity. They are also located in different areas. It is more cost efficient and effective to remove the old than try to cut each section.

Superintendent Bowsman spoke with Russell Mink from Moisture Management, Scott Brown and Kevin Thueringer with UNESCO. The chiller work will begin this winter. The roof and renovation work would begin over Spring Break 2020. The roof and renovation jobs would not interfere with the other and both contractors could be present at the school during the same time period. Mr. Mink and Mr. Thueringer both stressed that the engineering specifications work and bid process must start as soon as possible if the school corporation plans to complete the projects by August 2020. Indiana law mandates specific time periods for contractors to bid and file for building permits.

Eric Retter asked the board if they all felt good on moving forward with the Chiller and Roof.

Mike Miller made a motion to approve the Chiller and Roof. Janet Caudle seconded the motion and the motion carried 5-0.

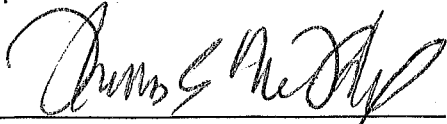
Superintendent Bowsman asked the board if they were in favor of the drawing plan A-1. The Board agreed. Superintendent Bowsman reiterated his concerns of the PE/Locker Room renovation construction budget shortfall. Superintendent Bowsman asked the UNESCO representatives if their price for serving as the Architect and Construction Manager would remain the same for the PE/Locker Renovation if the school corporation had to postpone for a year. CFO Jason Akin said, "Yes, and they would stick with us until the project was complete."

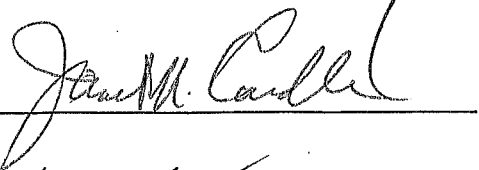
Superintendent Bowsman recommended to the Board: UNESCO be allowed to proceed with the engineering and bid proposal work in preparation for advertisement and sale in January 2020. If the PE/Locker Room bid comes in higher than the available bond funds, windmill funds, and Capital Project funds, the project will be delayed. The board has the right to refuse the bid if it is over \$840,000.00

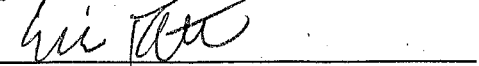
Mike Miller made a motion to approve and Thomas McFarland seconded the motion. The motion carried 5-0.


Following this review and discussion, Patricia Tillson made a motion to adjourn at 6:30 PM. Janet Caudle seconded the motion and motion carried 5-0.

The next regular board meeting will be Monday, December 9, 2019 at 7:30 PM, in the Superintendent's Office Boardroom.









Persons Attending: Mr. Bowsman, Shawntel Baker, Scott Dingess and Scott Brown