

A JOINT WORK SESSION OF THE BOARD OF SUPERVISORS AND THE SCHOOL BOARD WAS HELD ON THE 5th DAY OF FEBRUARY IN THE YEAR TWO THOUSAND FOUR OF OUR LORD IN THE COURTROOM IN THE OLD COURTHOUSE IN NEW KENT, VIRGINIA, AT 7:00 P.M.

IN RE: ROLL CALL

Mark E. Hill	Present
D. M. Sparks	Present
Stran L. Trout	Present
W. R. "Ray" Davis, Jr.	Present
James H. Burrell	Present

The School Board members who were present were: Van N. McPherson, Joseph Yates, Cynthia Gaines, Teresa Lindsay and Gail Hardinge.

Chairman Burrell called the meeting to order and turned the meeting over to the School Board.

IN RE: NEW KENT MIDDLE SCHOOL FEASIBILITY STUDY

Chairman McPherson provided the Board of Supervisors with a handout with current student enrollment as well as enrollment projections in all four schools over the next ten years. Projections were based on using 2% - 3.5% growth (based upon the growth average over the last five years). Projected enrollment in the year 2014 is estimated to be 739 in the primary school, 710 in the elementary, 848 in the middle and 987 in the high, for a total of 3,283. The School Board admitted that it had been conservative in its growth projections.

The handout also contained charts which showed, by school, capacity now, with and without trailers, and after upgrades. The primary school, after upgrades, is projected to be at capacity by 2012. The elementary school, after upgrades, is projected to be at capacity by 2014. A K-5 combined, with upgrades, would be at capacity at 2013. The middle school, after upgrades, would reach capacity in 2010. The high school facility converted into a middle school would be at capacity in 2011. The current high school is at capacity now, with trailers, and a new high school for 1000 students would not reach capacity until after 2014.

The handout reported that by spending \$9,000,000 to upgrade the primary and elementary schools into K-5, the County is prolonging the useful life of both schools while increasing capacity. This also eliminates the need to build both a new primary and elementary school, and allows the County to anticipate the need for a third school (instead of two more new schools) to be used as K-5 when capacity is reached at the current schools. A single new school will cost \$15,000,000 in today's dollars and provide additional capacity for 700 students.

Regarding the middle school, there is no room for additional trailers. The estimated cost to build a new middle school (for 1,000 students) is \$25,000,000. Renovating the middle school with no room to expand capacity beyond 750 students, would cost \$15,000,000. Moving the middle school into the current high school facility would provide capacity of 760 and would cost about \$400,000.

The School Board presented four scenarios regarding capital expenditures (in 2004 dollars) , with a mixture of new schools and upgrading current facilities. The total costs ranged from \$115 million to \$69.4 million. The least expensive option (Option 4) at \$69.4 million provided for: 2004 renovations of the primary and elementary at \$9.9 million; 2005 construction of a new high school at \$30 million; 2006 conversion of current high school into middle school at \$.4 million; 2011 upgrade (adding capacity of 200) of then middle school for \$7.5 million; 2014 construction of new K-5 at \$15 million; 2016 upgrade of high school to add 200 capacity. It was emphasized that if growth is slower, then the projects could be delayed; likewise, if growth is faster, then the projects would need to be expedited.

The School Board prefers Option 4 because it is most economical and best utilizes space and staff.

Mr. Trout stated that these projections and figures are what were needed and thanked the School Board for the work that it has done.

In response to an inquiry from Mr. Sparks, the School Board confirmed that the years shown in the capital expenditure options were construction commitment years and not construction completion years.

Mr. Burrell was concerned about the conservative enrollment projections. Mr. McPherson explained that they had used the average of growth in the last five years, three of which had little growth, one with a 4% rate and the latest was 2.5%. September enrollment figures were 2505 and they expect to have 2565 students by the end of the school year.

Mr. Hill was also concerned with the enrollment projections. Patriot's Landing is estimated to bring in 176 students over five years, which is 35 new students per year beginning 2006. He suggested using a beginning rate of 3% rather than 2.5%. He does not want the County to spend money to construct schools that will not have sufficient capacity.

Mr. Davis stated that projection number have confounded the Board over the last few years, often not being as high as predicted. Dr. Geiger admitted that figures projected in 1998 did not come to pass, but that New Kent is reported to be the third fastest growing locality in the metropolitan area.

The School Board stated that if the Board of Supervisors liked the format used, then they can plug in a different set of numbers and make updated projections. This is a good planning tool.

Mr. Sparks encouraged the School Board to look at the numbers and factor in some inflation, rather than using today's dollars. Mr. Trout reminded that although today's dollars were used

for construction costs, so are today's revenues. Mr. Davis indicated that property values have increased at twice the rate of inflation, which will result in increased tax revenue for the County.

There was a request from the Board of Supervisors that the School Board provide it with a "per student cost" to build a new school so that the County has that information in place when working with developers on proffers and impact fees. Mr. McPherson indicated that the School Board could provide that information and there was discussion on how best to compute these figures. It was agreed that Dr. Geiger would contact his counterparts in Caroline, Hanover and Goochland counties to determine how they compute these figures, and bring that information back to both Boards. Mr. Burrell also asked that the School Board provide the Board with information regarding operational costs for new schools, including costs for buses and teachers for the additional students.

Mr. McPherson also asked for discussion regarding how to start public dialogue on school construction plans. Mr. Hill stated that as elected officials that the board members have a duty to timely provide the facts to the public. There was discussion about distributing a "fact sheet" to all County postal patrons and through the schools, as well as hold a series of public meetings in different parts of the County to provide information about what needs to be done and what the options are. The possibility of a press conference was also discussed. Dr. Hardinge stated that by accepting state and federal funds for schools, the County is making certain obligations and the County has to make certain that it is meeting those obligations.

Dr. Geiger indicated that the School Board has a Six Year Plan Committee, to which he suggests that assigning the task of defining the message to be communicated to the public, as well as the best ways to accomplish that. Mr. Hill expressed the public's frustration over how long it takes local governments to do things and that he would be in favor of doing whatever it takes, short of appropriating money for more feasibility studies, to get this done. Dr. Geiger suggested that the committee could meet and have recommendations back to the Boards by mid-April. This committee should have representatives from the School Board, the Board of Supervisors and the community. Mr. Burrell cautioned that the public is very astute and that the information that will be distributed to the public will need to be credible and not skewed in any way. Mr. Hill stated that it is important to show that nothing was done two years ago and how much it is now going to cost, and let the public draw its own conclusions. He stated that it is the duty of the Board of Supervisors to fix the irresponsible actions of past boards, and that he cares about taking care of today's problems and does not worry about being re-elected in four years. Mr. Sparks stated that New Kent schools have so many things to be proud of and those things need to be emphasized.

It was agreed that the School Board will get the Six-Year Plan committee up and running and will communicate their recommendations to the Board of Supervisors. The Board of Supervisors will decide upon its representative(s) to the Committee at its meeting on Monday night.

Dr. Hardinge remarked that the dialogue between the Boards had been refreshing and thanked the Board of Supervisors.

IN RE: ELEMENTARY SCHOOL AND PRIMARY SCHOOLS

Dr. Geiger updated the Boards on the status of the literary loan applications for the work being done on the Elementary and Primary schools. All that is needed is approval of a final set of plans before any bids, and then the County will be added to the waiting list. Once on the waiting list, the County will most likely have to wait 3 ½ to 4 years to receiving funding, and will have to use interim funding in the mean time. Mr. Christie reported that the County is considering several different kinds of funding and that Ted Cole of Davenport & Associates will be meeting with the Economic Development Authority on February 19 to help them understand how bonds work and what they are for.

It is anticipated that the plans will be ready to be advertised for bid by early March and that construction can begin as soon as school closes for the summer. Construction should be completed by the beginning of the 2005/2006 school year at which time the two schools will be converted into two K-5 schools with two separate bus routes. The plan is to work on the renovations during the summer and on new construction during the school year.

There was discussion about the possibility of public water and sewer connections at the schools. Mr. McPherson stated that the School Board has looked very closely at that and have determined that their septic systems still have useful life and they would like to delay having to connect until it is necessary. They are concerned about the cost of connection fees and the monthly charges.

IN RE: BUDGET

The School Board reported that they do not yet have final figures but are faced with several unforeseen situations. The first is that the State is transferring the mandated VRS contributions for teachers to the locality which is estimated to be in the sum of \$300,000. Cost of health insurance is expected to increase by 20% – 25%, which results in additional costs of \$142,000. There are also mandated issues regarding special education which is estimated to increase their costs by \$100,000. None of these increases address growth or teacher raises. Currently, they are considering a 4.5% increase in teachers' salaries, which includes a 1.67% step increase and 2.83% cost of living. They are also in the process of doing comparisons to other districts for non-instructional personnel.

Mr. Christie thanked Dr. Geiger and the School Board for their cooperation. He stated that the former VDOT facility on Route 155 has been identified as a possible site for a new vehicle maintenance garage. He reported that there had been an 80% increase in costs for the at risk children under CSA. As most of the expenses are education related, he asked the School Board's cooperation in seeking ways to decrease these costs.

Mr. McPherson thanked the Board of Supervisors for its generosity in the past and is embarrassed to come with such a large increase in mandated dollars. He described how they have worked to cut their budget down and the wage increase they are proposing for the teachers may cause them to lose ground in their efforts to make teachers salaries more comparable to those in other localities. Starting salary for new teachers in New Kent is now around \$30,000.

There was some discussion regarding public perception of teacher salaries in New Kent and the salary scale that is in place.

There was also discussion about possible ways to reduce health care insurance costs. Dr. Geiger reported that the plan that was recommended by the Efficiency Panel would supposedly save the County \$115,000 during the first year; however, the County would have to agree to a long term membership in this plan, lose its flexibility and freedom, and there is no guarantee what the rates will be down the road. Dr. Geiger described efforts to create a regional pool for health insurance purposes which they are still working on. One of the problems that New Kent faces is that its teachers come from two different markets (Richmond and Tidewater) and the County must offer health care providers in both.

Mr. Hill asked about savings in outsourcing payroll. Dr. Geiger stated that they are looking into that, and he will keep the County updated on their efforts in all of these areas.

Dr. Geiger provided a team building exercises among the Board members which emphasized that both Boards have the same goals and should work together to accomplish them.

IN RE: ADJOURNMENT

There being no further business, Mr. Trout moved to adjourn the meeting. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
Stran L. Trout	Aye
W. R. "Ray" Davis, Jr.	Aye
James H. Burrell	Aye

The Board of Supervisors was adjourned at 9:03 p.m. Mr. McPherson adjourned the meeting of the School Board.