

The Board of Commissioners for the County of Cabarrus held a special joint meeting with the Cabarrus County Board of Education in the Board Room of the Cabarrus County School Education Center in Concord, North Carolina on Monday, July 27, 2009, at 6:00 p.m. The purpose of the meeting was to discuss Qualified Zone Academy Bonds (QZAB), Qualified School Construction Bonds (QSCB) and related school construction projects.

Present - Chairman: H. Jay White, Sr.
 Vice Chairman: Grace Mynatt
 Commissioners: Robert W. Carruth
 Elizabeth Poole
 Coy C. Privette

Also present were John D. Day, County Manager; Richard M. Koch, County Attorney; Pam Dubois, Deputy County Manager; Susan Fearington, Assistant Finance Director; and Kay Honeycutt, Clerk to the Board.

In addition, the following members of the Cabarrus County Board of Education (BOE) and school staff were present: Holly Blackwelder, Chair; Wayne Williams, Vice Chair; Board Members: Carolyn Carpenter, Cindy Fertenbaugh, Tim Furr, and Andrea Palo; Dr. Barry Shepherd, Superintendent; Mason Miller, Executive Assistant to the Superintendent; Kelly Kluttz, Finance Officer; Len Witke, Director of Construction; Jim Amendum, Associate Superintendent of Administrative Services; Steve Alexander, Chief Technology Officer; Sara Motley, Attorney; and Ailene Monroe, Clerk to the Board.

Call to Order

Chairman White called the meeting to order at 6:01 p.m.

Discussion of Qualified Zone Academy Bonds (QZAB), Qualified School Construction Bonds (QSCB) and Related Projects

The Board reviewed a list of possible construction projects for Boger Elementary school totaling \$2,941,932 that was presented by Mr. Len Witke, CCS Director of Construction, in conjunction with applications for federal stimulus funding through the use of Qualified Zone Academy Bonds and Qualified School Construction Bonds. The application deadline for the stimulus funding is July 31, 2009. The list included the following projects: an eight classroom addition - \$1,218,840; Davis Bacon additional charges - \$219,392; technological infrastructure - \$225,000; engineering - \$40,000; A/E (Architect & Engineering) design fees - \$86,300; FF&E (Furniture, Fixtures & Equipment) - \$125,000; contingency (\$201,400) and replacement of kitchen exhaust hoods in 13 schools and fryer units in four schools (\$826,000).

A general discussion ensued and the following topics were addressed: budgetary implications related to the Davis Bacon Act; terms of the financing mechanisms; local match requirements, including in-kind contributions for the QZAB funding; the preference to use U.S. suppliers and local contractors; etc.

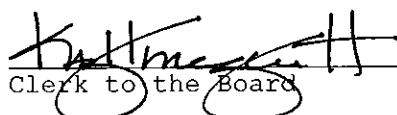
The Board of Education was asked to consider requesting two years worth of funding (\$6.4 million) for the Northwest elementary school in addition to their previously prepared project list since many of the school districts would most likely fail to meet the application deadline. It was noted that such requests would be considered on a case-by-case basis. After further discussion, it was suggested that alternate proposals be prepared for the State's consideration, including asking for all the funding for the Northwest elementary school project, approximately \$12 million, in a phased approach.

The BOE agreed to submit the QSCB application with two options: (1) funding for Northwest elementary (land, architects/engineering, site development and construction) and (2) the aforementioned projects totaling approximately \$2.9 million identified by Mr. Witke.

Further discussion continued related to the need to compare the costs associated with the Davis Bacon Act to the interest-free loan via the QSCB financing mechanism since the County planned to use cash for the Boger addition. Mr. Witke was asked to provide a projection of the construction costs for the Northwest elementary school, including additional labor costs associated with the Davis Bacon Act so that it can be compared to possible savings generated by an interest-free QSCB loan.

Adjourn

UPON MOTION of Commissioner Carruth, seconded by Vice Chairman Mynatt and unanimously carried, the Board adjourned at 7:06 p.m.


 Clerk to the Board