

Date: April 10, 2024

Purpose: Citizen-Led Oversight Committee (CLOC) Meeting

Location: Beaufort County School District Media Center and Via Zoom

Committee Member Attendees:

Richard Tritschler, Ray Warco, Daniel Clare, Michael McNally, Marion Johnson Payne, Ron Groteluschen, Derrick Coaxum, Bob Priest, Michael Swiecicki

Beaufort County School District (BCSD) Representatives Present:

Robert Oetting, Jennifer Hamblin, Lou Ackerman, Carol Crutchfield, Freddie Lawton, Tim Summers, Alexander Marshall

Turner & Townsend Heery Attendees:

Robert Corbin, David Waggoner, Agustin Vargas

Other Attendees:

Halie Cooler, Olivier, Inc.
Todd Hill, Stage Front

Meeting Minutes

1. Prior to the April 10, 2024 CLOC meeting, the following materials were distributed to the committee members via email: Meeting Agenda; Meeting No. 02 Presentation Materials; Public Comment Card; March 13, 2024 Draft Meeting Minutes; 2023 Bond Referendum Financial Summary Report; School Furniture Financial Report; HVAC Replacements Financial Report; Safety & Security Improvements Financial Report; MRES Financial Report; HHIHS Financial Report; Tech Warehouse & Imaging Center Financial Report; LIMS Financial Report; Right Choices Kitchen Financial Report; Riverview Charter Gym Financial Report; New ELC Financial Report; BHS CTE Financial Report; MRHS CTE Financial Report; BLHS CTE Financial Report; SHES Paving Financial Report; JJDECC Paving Financial Report; and BCHS Paving Financial Report.
2. Mr. Corbin confirmed with Mr. Oetting that there were no public comments.
3. Mr. Corbin asked for a motion to approve the draft meeting minutes from the March 13th meeting. A motion was made by Mr. Warco and seconded by Mr. Tritschler. The motion was approved by all. The approved meeting minutes will be posted to the CLOC website.
4. **Project Updates:**

Mr. Corbin turned the meeting over to Mr. Marshall for updates on his projects.

May River Elementary School (MRES) – Quackenbush Architects and Planners, LLC (QAP) and Thompson Turner Construction (TTC)

Mr. Marshall reported on MRES, which is being reported under budget and on schedule. Design Development (DD) cost estimate review took place on April 4, 2024, with BCSD, QAP and TTC. The report for the HVAC geothermal well conductivity testing is scheduled to be received the week of April 8, 2024. Construction Documents (CD) progress submittal is scheduled to be received in June 2024. Civil permits are ongoing; Site permit is scheduled to be received in November 2024.

Battery Creek High School (BCHS) – JCS and MBK Construction

Mr. Marshall reported on BCHS, which is being reported under budget and on schedule. Amendment No. 02 for the BCHS student and staff parking lot repaving was approved at the April 2, 2024 Board Meeting. Construction is scheduled to begin in June 2024.

May River High School (MRHS) – QAP and TTC

Mr. Marshall reported on MRHS, which is being reported under budget and on schedule. QAP is revising their fee proposal for the remaining design services. Material selections for the Auto Renovation Shop are complete; CD's are scheduled to begin in April 2024. Permitting has been submitted for land disturbance. BCSD CTE staff and MRHS leadership attended a review of Charleston County School District's (CCSD) Center for Advanced Studies site at West Ashley High School.

Following the conclusion of Mr. Marshall's project updates, Mr. Corbin asked if there were any questions.

Mr. Trischler asked questions about BCHS regarding what areas were to be paved, if the prior contractor had caused damage that resulted in the need for this paving and if the prior contract included provisions that the contractor would be held responsible for any damages.

Mr. Marshall clarified where paving was to occur.

Mr. Oetting added that it would be wise for future projects to avoid using existing parking lots for laydown areas if there is other space available.

Mr. Oetting added that in his opinion the contractor did not cause the need to repave these areas as these areas were in bad shape before the renovations began. If the contractor causes damage to a site where items are in good condition, they will be held responsible for the damage caused. Mr. Oetting added that the District allowed the contractor to use this area for their laydown yard and you cannot expect the contractor to protect a laydown yard.

No further questions were received for Mr. Marshall's projects and Mr. Corbin turned the meeting over to Mr. Summers for updates on his project.

Hilton Head Island High School (HHIHS) – Little Diversified Architecture (LDA) & MBK

Mr. Summers reported on HHIHS, which is being reported under budget and on schedule. Phase 1 Construction Documents were brought to the meeting for review by attending CLOC members. The first week of using the new student and staff parking went very well. MB Kahn Amendment No 02 (HHIHS Temporary Entrance) is fully executed; Work has begun; Substantial Completion is scheduled to occur on or before April 21, 2024. HHIHS Phase 1 site work is scheduled to begin the week of April 15, 2024. MB Kahn's Phase 1 GMP Proposal is scheduled to be received the week of April 8, 2024; Cost review is being coordinated.

Following the conclusion of Mr. Summers' project updates, Mr. Corbin asked if there were any questions.

No questions were received on Mr. Summer's project updates.

Due to Mr. Koll not being able to attend tonight's meeting, Mr. Corbin turned the meeting over to Mr. Vargas to provide updates on Mr. Koll's project and for the Safety/Security Improvement projects.

Technology Warehouse & Imaging Center – (JCS & Shoreline Const. & Development)

Mr. Vargus reported the Technology Warehouse & Imaging Center is under budget and on schedule. Project kick-off is being coordinated to take place in April 2024; Programming discussions are being coordinated to take place shortly after. The design schedule has been requested from JCS.

Safety/Security Improvements

Mr. Vargus reported the Safety/Security Improvements at JSES, RSLA, HHIMS and BHS are under budget and on schedule. Construction Documents (CDs) have been completed or are to be completed in April 2024; Revised GMP Proposals and remaining GMP Proposals are scheduled to be received in April 2024.

Following the conclusion of these updates, Mr. Corbin asked if there were any questions.

No questions were received.

5. 2023 Bond Referendum Financial Updates

Mr. Corbin turned the meeting over to Mr. Ackerman to provide the 2023 Bond Referendum Financial Updates.

Mr. Ackerman shared that the District is planning to issue a general obligation Bond Anticipation Note (BAN) of approximately \$50 Million in the timeframe of July/August 2024. A BAN is a short-term interest-bearing security issued in advance of a larger, future bond issue. Mr. Ackerman explained that the District has chosen to use a BAN in anticipation that Bond interest rates will become more favorable by January 2025.

Mr. Ackerman discussed that the District is currently planning to sale the first Bonds (permanent financing) starting in January 2025 for approximately \$182.5 Million. Remaining Bond sales are tentatively scheduled to be sold in January 2026 and January 2027. The estimated amount for the January 2026 Bond sale is \$125.5 Million and the estimated amount for the January 2027 Bond sale is \$131 Million. Mr. Ackerman explained that the amount for each Bond sale is based on projected cash flow requirements and are subject to change to align with future needs.

Mr. Oetting shared an additional reason the District is looking to sale Bonds in the month of January is because this month historically experiences a less competitive Bond market which translates to better interest rates for the District.

Following the conclusion of Mr. Ackerman's updates, Mr. Corbin asked if there were any questions.

No questions were received.

6. 2023 Bond Referendum Financial Reports and Summary:

Mr. Corbin shared that the monthly Financial Summary Report and Project Level Financial Reports had been provided and that the 2023 Bond Referendum Program Contingency Use Log will be provided in the future when the first contingency use occurs.

Mr. Corbin confirmed that the Financial Summary is being reported with a "Green" traffic light. As of March 31, 2024, the Current Budget remains at \$439,035,000, Paid and Committed Funds total \$7,877,487 (1.79%) and Total Remaining Funds to Commit (including Contingency) total \$431,157,513 (98.21%). Original/Available Program Contingency is \$11,500,000.

The CLOC Finance Committee members brought up the differences between the contingencies included in the 2019 Bond Referendum and the 2023 Bond Referendum.

Mr. Oetting responded by saying what is being pointed out is the contingency percentage was much higher for the 2019 Bond Referendum Projects than the 2023 Bond Referendum Projects. The 2019 Bond Referendum included numerous small projects and technology projects where BCSD was the first in the state to implement new technology standards that the District budgeted additional contingency for in the 2019 Bond Referendum. The 2023 Bond Referendum is straight forward, with larger projects and each project has a 5% project level contingency in addition to the Program Contingency figure of \$11,500,000.

Mr. Oetting further explained by saying for the 2023 Bond Referendum, we have a Program Contingency budget plus Project Contingency budgets.

Mr. Corbin added that if you look at the 2023 Bond Referendum project level financial reports, you will see the Project Contingency budgets (5% construction contingency and 5% design contingency) are included at the project level.

7. 2023 Bond Referendum Cash Flow Projections vs. Actual:

Mr. Corbin reported that the Cash Flow Model is being finalized; Distribution is scheduled to start May 2024.

8. 2023 Bond Referendum Community Outreach:

Mr. Corbin shared that there is a Hilton Head Island High School groundbreaking ceremony tentatively scheduled for Wednesday, May 8th. Additional details to be provided as soon as possible.

9. 2023 Bond Referendum CLOC Sub-Committee Reports/Updates:

Mr. Corbin asked if there was any CLOC sub-committee reports/updates and there were none.

10. 2023 Bond Referendum Forward Looking Items and Events:

Mr. Trischler suggested holding the May 8th CLOC meeting at HHIHS after the groundbreaking ceremony.

The above request was discussed, and consensus was reached to hold the meeting on May 8, 2024 at Hilton Head Island High School if possible.

Ms. Payne made a comment that CLOC members should have name tags at the groundbreaking ceremony, so the community knows who the CLOC members are. Ms. Payne also asked if a pre-meeting tour of the Hilton Head Island High School campus could also be facilitated.

Mr. Oetting agreed that would be a good idea and we would try and get name tags for those CLOC members that do not have them or have lost them before the HHIHS groundbreaking ceremony.

Mr. Warco asked Mr. Ackerman to send him the Excel file copy of the 513 Financial Reports before the next CLOC meeting?

Mr. Lou responded by saying yes.

Mr. Claire asked for a slide to be included in next month's CLOC meeting materials that will show a summary of the 2023 Bond Referendum projects with budgets.

Mr. Corbin responded that this would be provided.

Mr. Tritschler asked if there were any more items to discuss.

No further items were brought up and the meeting was adjourned.