

**Date/ Time:** September 11, 2024 at 6:00PM

**Purpose:** Citizen-Led Oversight Committee (CLOC) Meeting

**Location:** Okatie Elementary School Media Center and Via Zoom

**Committee Member Attendees:**

Ray Warco, David Trail, Michael Swiecicki, Mike McNally, Marion Johnson Payne, Daniel Clare, Bob Priest

**Beaufort County School District (BCSD) Representatives Present:**

Robert Oetting, Lou Ackerman, Tonya Crosby, Jennifer Hamblin, Alexander Marshall, Richard Geier, Tim Summers, Freddie Lawton

**Turner & Townsend Heery Attendees:**

David Waggoner, Jessica Killian, Mark Koll, Agustin Vargas, Ben Froemming, Rob Corbin

**Other Attendees:**

Halie Cooler, Olivier, Inc.

David Hamilton, Charles Pery Partners, Inc.

Todd Hill, Stage Front

**Meeting Minutes**

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- Prior to the September 11, 2024, CLOC meeting, the following materials were distributed via email:
  - Meeting Agenda
  - Meeting No. 07 Presentation Materials
  - Public Comment Card
  - Draft Minutes from August 14, 2024, CLOC Meeting
  - 2023 Bond Referendum Financial Summary Report
  - 2023 Bond Referendum Project Level Financial Reports
  - Cash Flow Projections vs Actuals
  - 2023 Bond Referendum CLOC Project Subcommittee Reports
- 1. Mr. Warco stated that there were no public comments.
- 2. Motion to approve the draft meeting minutes from the August 14, 2024, meeting. (Mr. Warco) Motion was made by Mrs. Payne, seconded by Mr. McNally. The motion was approved by all.
- 3. Mr. Warco briefed on the Glossary of Acronyms.
  - Mr. Corbin suggested keeping the glossary of acronyms in the presentation materials while those unfamiliar with the terms familiarize themselves with such.

**4. 2023 Bond Referendum Sale Update (Mrs. Crosby, Chief Financial Officer)**

- The \$50M Bond Anticipation Note (BAN) sale closed on 8/29/24.
  - Short-term sale
  - 8 bids received
  - Winning bid at 3.15% interest rate
- The \$182.5M Referendum Bond is scheduled to sell in late January 2025.
  - Permanent bond sale
  - Pays off BAN
  - Strategic planning in a falling interest rate environment
- Moody's Credit Rating affirmed at AA1
  - Strong financial committee and leadership
  - No audit findings in the last 25 years
- Questions on Bond Sales
  - Mr. Priest asked if there was a maturity on the BAN.
  - Mrs. Crosby clarified that the BAN will be paid off when the first bond sale takes place. This BAN is being used as a one-year line of credit which allows the District to borrow a smaller amount at a higher interest rate in anticipation that the interest rates will be lower and there will be more interest in the bond market in the month of January 2025 when the first permanent bond sale is made. The bond sale maturity is typically 25 years.
  - Mr. Priest asked what the call provision is on the bond.
  - Mrs. Crosby explained that the call provision is typically 10 years, the bond cannot be refinanced or be paid off until that time has lapsed.
  - Mr. McNally asked the question will the school district realize bond premiums like it did in the 2019 Bond Referendum.
  - Mrs. Crosby stated that the premiums will be very small in comparison to the 2019 referendum.
  - Mr. McNally asked what she thought it might be
  - Mrs. Crosby responded with less than a million per bond issue.

**5. Project Updates:****May River Elementary School (MRES) – QAP and TTC  
Alexander Marshall, Project Manager**

- Reported under budget and on schedule.
- Cost review took place August 30, 2024; TTC is preparing the GMP proposal that is scheduled to be submitted to the District in September
- Civil permits are ongoing; Site permit is scheduled to be received in November 2024

**May River High School (MRHS) – QAP and TTC**  
**Alexander Marshall, Project Manager**

- Reported under budget and on schedule.
- TTC GMP pricing is scheduled to be received in October 2024
- CTE equipment reviews are ongoing for approval of proposed equipment
- Land disturbance permit is scheduled to be received in December 2024.

**New Early Learning Center – HCM and TBD**  
**Alexander Marshall, Project Manager**

- Reported under budget and on schedule.
- Community meetings are in the process of being coordinated
- Programming discussions took place with District staff and programming is in place

**Hilton Head Island High School (HHIHS) – LDA and MBK**  
**Tim Summers, Project Manager**

- Reported under budget and on schedule.
- **Phase 1:**
  - Site work unforeseen issues with existing underground domestic water piping is scheduled to be completed in September 2024.
- **Phase 1A: Construction of a 3-story classroom addition:**
  - Aggregate piers have been completed; Foundations started in August 2024.
- **Phase 1B Includes selective demolition and initial renovations, Group restroom improvements, Modifications of corridor walls and finishes:**
  - Scheduled to commence in June 2025.
- **Phase 2 Demolition of the “B” and “C” wings (Academic Spaces); Construction of a new cafeteria and CTE addition; and remaining renovations/improvements to the “D” wing:**
  - Interim review of 75% CD’s is scheduled to occur in September 2024.
- **Phase 3 renovation of both existing gymnasiums, existing JROTC and existing cafeteria:**
  - Interim review of 75% CD’s is scheduled to occur in September 2024.
- **Phase 4 renovation of the existing Performance Arts Center (PAC):**
  - Interim review of 75% CD’s is scheduled to occur in September 2024.
- GMP Proposal for Phase 2, 3 and 4 is scheduled to be received in Q1 2025.

**Technology Warehouse & Imaging Center – JCS and Shoreline**  
**Mark Koll, Project Manager**

- Reported under budget and on schedule.
- DD's cost estimate review has been received and is being evaluated
- CD's completion is scheduled to occur in Q4 2024.

**New Lady's Island Middle School – QAP and Shoreline Construction**  
**Mark Koll, Project Manager**

- Reported under budget and on schedule.
- Community input meeting occurred on August 17, 2024 at SHES, LIES, CES
- SD is scheduled to be received on November 27, 2024

**Safety/Security Improvements**  
**Ben Froemming, Project Manager**

- Reported under budget and on schedule
- **JSES:** Walkthrough is complete and final input on positioning of cameras has been received
- **RSLA:** Work is scheduled to begin once JE Dunn completes the Phase 2 work related to the 2019 Bond Referendum
- **HHIMS:** Cable terminations are nearing completion; Camera installations scheduled to begin in September 2024.
- **BHS:** Shop drawings revisions are scheduled to be complete in September to include changes per walkthrough with District Security Department Personnel

**School Furniture Replacements (Mr. Lawton)****Mossy Oaks Elementary School (MOES):**

- Reported under budget and on schedule.
- Classroom furniture order is scheduled to be placed in September 2024 for delivery during Winter Break 2024

**Port Royal Elementary School (PRES):**

- Reported under budget and on schedule.
- Classroom furniture order is scheduled to be placed in Semester 2024 for delivery during Winter Break 2024

**Joseph S. Shanklin Elementary School (JSES):**

- Reported under budget and on schedule.
- Classroom furniture order is scheduled to be placed in Semester 2024 for delivery during Winter Break 2024

**6. 2023 Financial Reports and Summary (Mr. Vargas)**

- Reported with a “green” traffic light as of August 31, 2024, the Current Budget remains at \$439,035,000.
- The Paid and Committed Funds total \$104,982,044 (23.91%).
- The Total Remaining Funds to Commit (including Contingency) total \$334,052,957 (76.09%).
- The remaining available program contingency is \$11,500,000.
- The original project level contingencies started at \$17,060,756
- The current project level contingencies total \$16,704,561

**7. 2023 Bond Referendum Cash Flow Projections vs. Actual (Mr. Vargas)**

- Referendum funds paid as of August 31, 2024, total \$3.73 Million.
- Total forecasted expenditures through August 31, 2024, were \$3.97 Million.

**8. 2023 Bond Referendum Community Outreach**

- Outreach event occurred on August 17, 2024 for the New Lady’s Island Middle School (LIMS) Replacement at SHES, LIES, and CES
  - Preliminary schematic design presentation to the LIMS staff is scheduled to occur on September 9, 2024
  - Follow-up meeting with the School Improvement Council (SIC) at LIMS will be coordinated to gather more feedback on the new design of LIMS

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

- **Project Sub-Committee Updates (Mr. McNally)**
  - Mike McNally, Marion Paine, and Mike Swiecicki met with Tim Summers for on-site inspections of the ongoing work at the Hilton Head Island High School and Field House.
  - The new field house is scheduled to be completed in October.
  - Project Subcommittee met Sam Smith, PM for M.B. Kahn Construction who reviewed the baseline schedule with the project subcommittee. The schedule lists all of the activities from project start to construction Substantial Completion and Closeout.
- **Communications Committee Report (Mr. Trail)**
  - No updates to report
- **Finance Sub-Committee updates (Mr. Warco)**
  - Mr. Warco provided the Finance Sub-Committee report on the financial information received at the August 14, 2024, meeting
  - The 2023 Bond Referendum budget totals \$439,035,000 million.
  - The Finance Sub-Committee cross analyzed the 513 report to make sure that all the projects add up to the total 2023 Bond Referendum Budget and everything matched.

- The Finance Sub-Committee reported that the total contingency currently sits at \$25.5M, this includes Program contingency, Project contingency and Design Contingency.
- No issues to report.

**10. 2023 Bond Referendum Forward Looking Items and Events:**

- The new CLOC member training and Hindsight Report has been scheduled to take place on Wednesday October 9, 2024 at the District Educational Support Center in the Media Center with a start time of 4:00PM
- These sessions will replace the scheduled CLOC meeting.

**11. Mr. Warco asked if there were any more items to discuss.**

- No further items to discuss were brought up. A motion was made by Mr. McNally and seconded by Mr. Priest. The meeting was adjourned.