

**MINUTES OF THE GUILFORD COUNTY BOARD OF COMMISSIONERS /  
GUILFORD COUNTY BOARD OF EDUCATION  
JOINT CAPITAL/FACILITIES COMMITTEE**

**Greensboro, North Carolina  
January 24, 2024**

The Joint Capital/Facilities Committee, appointed by the Guilford County Board of Commissioners and Guilford County Schools Board of Education, met in a duly noticed meeting on January 24, 2024 at 3:00PM in the Board Room of the Guilford County Schools Administrative Offices, 712 N. Eugene St., Greensboro, NC.

**Guilford County Board of Commissioners (BOC)**

**Present:** Committee Co-Chair Commissioner Melvin “Skip” Alston, presiding; Commissioners Kay Cashion and Carly Cooke (via virtual participation).

**Absent:** Commissioner J. Carlvena Foster

**Guilford County Schools (GCS) Board of Education (BOE)**

**Present:** Board of Education member Khem Irby and Alan Sherouse (via virtual participation).

**Absent:** Committee Co-Chair Deena A. Hayes, Board of Education members Bettye T. Jenkins and Alan Sherouse.

**Also Present:** Guilford County Commissioner Pat Tillman; GCS Board of Education members Michael Logan and ; County Manager Michael Halford; Dr. Whitney Oakley, GCS Superintendent; Lisa Nolen, GCS Board Relations Director; Clerk to Board Robin Keller; Andrea Leslie-Fite, Guilford County Attorney; Jill Wilson, GCS Attorney; Jason Jones, Guilford County Assistant County Manager; Angie Henry, GCS Finance Director; Julius Monk, GCS Deputy Superintendent of Business & Operations; Don Warn, Guilford County Finance Director; Toy Beeninga, Guilford County Budget Director; members of County and GCS staff, community partners, the public and media.

## **I. WELCOME AND CALL TO ORDER**

Committee Co-Chair Skip Alston called the meeting to order at 3:04 p.m. and welcomed those present. He requested a moment of silence to honor of the loss of BOE member Bettye T. Jenkins' mother in her recent passing.

## **II. APPROVAL OF MINUTES**

A draft copy of minutes for the October 23, 2023 committee meeting was reviewed for accuracy. There being no quorum present, adoption of the minutes was tabled until additional members joined the meeting.

## **III. BOND PROGRAM UPDATE**

Dr. Julius Monk, Guilford County Schools (GCS) Deputy Superintendent of Business & Operations, introduced the update and noted bond project signage now includes QR codes directing citizens to the bond program dashboard.

He discussed current economic challenges related to labor shortages and supply chains but noted there are signs of stability in the construction market. He noted they have current ordinances of approximately \$522 million of which \$328 million has been committed and \$126 million has been expended.

Cashion questioned how far out funding is being committed, monthly or quarterly.

Monk noted they only have six projects under construction and as they start new projects, the expended amount will increase.

Cashion question how long these obligated funds will last.

Monk shared some of these projects will start occupancy in August with others in January 2025.

Monk provided construction updates on Claxton Elementary, Foust Robotics & Gaming, Brooks Global Studies and noted Brooks topping out ceremony was conducted on November 7, 2024. He provided updates on Kiser Middle School, Peck K-8 Expeditionary, New Visual Performing Arts School and noted the BOE recently approved a GMP so they can begin site construction. He noted the land purchase for the Katherine G. Johnson School was completed in the fall and they are now in the design phase.

He provided a summary of construction activities for the remaining bond projects and noted RFQ's have been published for the remaining projects.

Irby questioned if any school designs would be replicated.

Monk confirmed Sumner and Allen Jay designs would be replicated, but noted these would have to be adapted to the site.

Cashion shared the volume of calls regarding Lindley and whether GCS would build new or renovate and retain the historic presence.

Monk shared they retained a designer in November who poll the citizens regarding their interest. He noted they would assess the property to see if they could renovate or rebuild, and would then make a determination.

Monk introduced the district consolidation update and reminded the Board that the 2019 plan recommended closing 13 schools and 11 administrative buildings. He shared which buildings had been closed and discussed attendance boundary adjustments made as a result of these closures. He noted these changes would be implemented in SY2024-25.

Monk offered an updated on the deferred maintenance projects and shared HVAC projects that have been completed, to date. He noted there are four roofing projects in the design phase, with three HAVAC projects and three fire alarm projects in the bid phase. He noted they have begun receiving equipment delivery for Grimsley, Faulkner and Oak Ridge, and the AV teaching aides have been delivered to ten schools.

He stated they will begin contract negotiations for security vestibules at 10 schools and design work will begin for paging/emergency communication systems at 5 schools. He discussed roofing projects, fire alarm replacements and HVAC projects currently in bid phase.

Monk shared they continue to work with the county to maintain cashflow, and noted staff meet monthly to discuss issues. He shared they will continue with their study of 10-year enrollment projections.

Irby questioned if Doris Henderson would be relocated.

Monk shared the relocation would take time so they need to continue maintenance.

Irby expressed concern with the mobile units at Henderson and GTCC.

Monk shared they would have to work with GTCC on deferred maintenance and could address those concerns through annual capital funding.

Monk shared they will evaluate how they will align program to facilitate the master plan.

Alston questioned if projects remain on their projected schedules for opening and Monk confirmed they are on schedule.

Irby questioned if there is a calendar for the community meetings.

Monk shared this is not on the website but would work to develop one.

Cashion questioned if the updates have changed based upon the student projection study.

Monk confirmed and noted there are some changes projected for school locations and programming that need to be made to the master plan.

Cashion questioned any projections of enrollment compared to charter school enrollment.

Monk noted the projections show GCS enrollment declining if no changes are made. He spoke to the importance of correcting this trend.

Alston questioned how are remaining on pace with the project time projections.

Monk said they seem to be on schedule but will need to keep an eye on market availability.

Alston questioned when the immediate issues regarding heating and cooling will be resolved.

Monk stated new systems are being installed and they are doing a good job working with county staff to identify funding for quick repairs.

Oakley stated that, for the long-term, the community should get into a habit of passing a bond every few years to meet the capital needs of the schools. She spoke to the importance of utilizing these bond projects to gain the trust of the community.

Alston questioned if the \$300 million originally passed was used towards deferred maintenance, and Oakley stated no.

Cashion questioned if staff have observed decreased pricing in materials.

Monk noted the prices are still high but not increasing at a rate previously seen.

Alston shared this update is based upon the \$2 billion project and questioned how much GCS projects to be over the \$300 million already allocated.

Monk shared they are \$28 million over what has been committed and estimated another \$200 - \$225 million over the initial allocation of \$300 million.

#### **IV. UPDATE ON SCHOOL CAPITAL FUNDING PLAN**

Warn provided an update on the school capital funding plan and noted they have spent approximately \$141 million to date. He shared the Board approved issuance of another \$180 million during their 1/18/24 regular meeting. He provided a timeline of the issuance, with bond sale in 2/13/24 and closing in early March.

Warn shared everything looks positive with regards to interest rates for the sale, with a possible decrease in rates. He compared the original plan submitted to the LGC to the revised plan, and noted pushing out issuances is beneficial to the plan. He noted they will work with the schools on a planned issuance of \$570 million in 2025.

Warn reminded the committee of the debt model and noted the County's \$50 million allocation and the Board's adherence to this model is beneficial to the plan.

He confirmed they will continue their monthly meetings with GCS and review cash flows. He shared they will coordinate with the schools to coordinate on the size and timing of future

tranches of debt issuance and will continue to balance GCS' monthly cash needs with the County's cash reserves.

He shared the County received a GFOA Award of Excellence for developing this debt model.

Halford further detailed the GFOA award and noted the award is for the bond model and collaborative process between the BOE and BOC. He thanked the elected officials then and now for their work on this process, in addition to staff, who are addressing this huge community need.

Irby questioned if the County has its own legislative agenda regarding advocacy on how schools are built in North Carolina.

Warn noted the County is charged with building schools as a statutory requirement, but noted advocacy would be a function of elected officials. He spoke to a model from Phoenix, AZ.

Alston questioned if the schools were comfortable with this issuance plan and Monk confirmed.

Alston questioned if the 2025 issuance could be spent in 2 years and Monk confirmed. Alston shared his concern that the \$565 million issuance that followed would just sit and accrue interest versus being spent.

Alston clarified the debt model is based on 5% interest rate for issuances and Warn confirmed. He noted when the model was built they used a worst case scenario with regards to interest rates.

Alston questioned if the \$180 million would cover the \$225 million deficit.

Warn noted this deficit is for the total project cost and other projects might have to be re-prioritized, based upon available funding.

Alston questioned who is reviewing the projections to ensure there is sufficient funding to finish this phase of projects, and expressed the importance of preparing the public well in advance if there is a need for another bond to complete these projects.

Warn spoke to the importance of the monthly meetings and how they are used to re-prioritize projects in order to best utilize the existing cash flows and which projects should be pushed to a future bond issuance.

Halford discussed the multiple capital projects for GTCC and the court system, and the County's responsibilities for these projects. He spoke to the importance of understanding how all these factors impact the County.

Alston spoke to the general public's expectation of passing these bonds to manage certain capital projects and noted the importance of educating the public to ensure they are aware that additional funds may be needed, as a result of inflation. He spoke to the importance of good communication.

## **V. OTHER BUSINESS**

There was no other business to discuss.

**VI. ADJOURNMENT**

Oakley noted that since quorum was not achieved, adoption of the minutes would be tabled until the next meeting.

Co-Chair Alston questioned the committee’s interest in holding the next meeting on April 24, 2024 at 3:00PM.

**There being no further business, the meeting was adjourned.**

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Commissioner Melvin “Skip” Alston  
Committee Co-Chair

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GCS Board of Ed., Deena A. Hayes  
Committee Co-Chair

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Robin Keller, Clerk to Board