

TRC Teleconference
Tuesday May 31, 2020

Attendees expressed no questions or desired changes to meeting minutes from the previous meeting held on February 25, 2020.

Project Updates – ABSS (Dr. Todd Thorpe)

Pay-Go CIP:

Some roofing projects are in design, while others are currently out to bid.

VCT installation planned as a summer 2020 project.

Asbestos abatement is ongoing.

Painting bids have been received and will be presented to the School Board next week.

Vehicles and classroom furniture have been purchased.

Fire Alarm Repair and Track repairs - in progress

Safety Upgrades - Design team will request permits for the design work and compile designs for updated safety systems. Some security options will be completed when classes are not in session.

Bond Projects:

After meeting with Samet Corporation and Moseley Architects, ABSS has determined that there are two timelines available for the New High School and Southern High School projects. One timeline involves a Fall 2020 bond issuance and a ownership of the buildings in August 2022. The other timeline involves a Spring 2021 bond issuance and ownership of the buildings in March 2023. ABSS has determined that receiving and opening the buildings in March of 2023 is preferable, as to provide a time buffer and adequate time to prepare for the placement of students. Therefore, ABSS requests moving the originally proposed bond sale date of Fall 2020 to Spring 2021.

The South Mebane Elementary School project was also scheduled for a bond sale in Fall 2020. ABSS requests that this bond sale be moved to Spring 2021 as well and that capital reserve funds will finance the project and will be reimbursed upon receipt of bond money. Moving these three project to Spring 2021 bond sales will mean that all ABSS bonds will be sold at once.

Currently, ABSS has been told that they will have construction documents in-hand on the dates of February 10 and February 17, 2021. The Davenport Firm stated that those dates would mean that a late March bond sale is most conducive, since construction documents are typically needed within 30 days before bond sale.

The land purchase for the New High School is ongoing. Completion of this investigation will end Phase I and begin Phase II of the process. At that point, certified survey results will be in-hand and the proposal will go forward to the School Board. The size of the property is approximately 100 acres.

Project budgets remain unchanged at this time.

ACC:

Project Updates – ACC (Tom Hartman)

Pay-Go CIP:

Print center construction and move-in are complete as of March 9th. This is the “Pre-backfill project” in ACC Building & Grounds Committee minutes.

Small maintenance and repair projects are ongoing.

An order has been placed for a 15-passenger van.

Bond Projects:

Center for Excellence:

Schematic Designs for the Center of Excellence are under review at the State Office of Construction.

Training Center:

Lease negotiations for the Public Safety Training Center property are ongoing with Martin Marietta. There have been some questions about what constitutes government ownership of buildings on leased land. These concerns are under investigation by the bond attorney.

10 proposals for the Construction Manager at Risk for the Public Safety Training Center were received January 2020 and the Building & Grounds Committee will provide a

recommendation for approval of the top four selections to the Board of Trustees in March 2020 .

Student Services Center:

An RFP for design proposals for the Student Services Center produced 27 applications received by the March 25, 2020 deadline. The ACC team is working on digital solutions for interviews and review of RFPs.

Project Updates – Alamance County (Andrea Rollins)

Pay-Go and Installment Loan CIP:

All items on the \$250,000 Pay-Go project list have been completed, except for the County Office Building elevator renovation.

Of the projects originally planned to be financed with a \$5 million installment loan, only nine had firm bids before the Covid19 outbreak and associated changes in operations. The County has decided to only borrow about \$2 million to finance these projects, and the remaining projects will be delayed.

An updated finance report is available on the alamancecapitalprojects.com with updated capital reserve balances.

Bond Market Updates – Davenport Firm (Ted Cole)

In response to the Covid19 outbreak, the municipal bond market is operating differently than it normally would. The market has slowed, as there has been hesitation to sell bonds, and hesitancy of investors to buy. Interest rates increased for a period of time, and sales decisions were day-to-day as a result of interest rate volatility.

As of late last week, the market moved towards more relative normalcy as a result of the stimulus proposals and other government actions. Late last week, Buncombe County sold bonds with a *reasonable* interest rate. The capital financing plan assumes a 4.5% interest rate, and rates are still below that. The time between now and the sale of bonds may produce a more stabilized bond market.

Sales tax volatility is also a concern in the Covid 19 outbreak. The capital financing plan depends on \$8-9 million in lottery and sales tax funds. County will monitor actual sales tax results monthly during the annual budget process.