

CUMBERLAND COUNTY FACILITIES COMMITTEE
OCTOBER 25, 1995
(JOINT MEETING WITH THE SCHOOL FACILITIES
COMMITTEE)

PRESENT: Commissioner Billy R. King
Commissioner Rollin Shaw
Commissioner Marshall Faircloth
Michael Boose, Bd. of Education
John Lancaster, Bd. of Education
Tom Council, Bd. of Education
Mary Emily Royal, Bd of Education
Kenneth Edge, Bd. of Education
Cliff Strassenburg, County Manager
Dr. John Griffin, School Superintendent
Staff from Board of Education
Staff from County

The two committees are meeting jointly to discuss facility needs.

1. Call to Order: The two committees were called to order.
2. Survey of Public School Facilities Needs

Mr. Tim Kinlaw told the Committee he is in the process of preparing a Facilities Audit for the school system, as required by the School Capital Construction Study Commission. This audit will have to be approved by the Board of Education and the Board of Commissioners prior to sending it to the State.

The State is considering the following funding options for capital needs for schools. The allocations for Cumberland County are indicated below:

1. Lottery

State: \$78 million
Local match: \$39 million

Total over 13 years: \$117 million

2. State Bond Referendum - \$500 million

County's allocation: \$24.2 million

3. State Bond Referendum - \$1.8 billion

State: \$89 million
Local match: \$81 million

Total: \$170 million

Note: 1993 Bond Referendum: \$50 million credit

4. State 1 Cent Sales Tax

18 Million Annual = \$115 million bond referendum

Mr. Kinlaw reviewed financing options for Cumberland County's two most pressing needs, a high school and a middle school. Construction Cost: Approximately \$40 million. Financing Options: GO Bonds or COPS. The obvious advantage for using COPS is voter approval is not necessary and it is perhaps the fastest available method to complete the financing. A major disadvantage is that it will cost more than GO Bonds.

Commissioner Faircloth noted that he is not necessarily in favor of using COPS as the financing method for school construction. It was noted a decision has not yet been made about this issue.

Mr. Kinlaw told the Committee the School Board needs a commitment from the Board of County Commissioners in order to go forward with the high school and middle school, regardless of how they are financed.

Dr. Griffin noted the Chamber of Commerce will do all it can to create support for school construction needs, regardless of the method of financing.

3. County Facility Needs

Mr. Strassenburg, County Manager, reviewed with the Committees the County's needs:

1. 3 branch libraries: North, Eastern and Spring Lake
Cost: \$11.4 million
Financing: Bonds
 North Branch: June, 1996
 Eastern Branch: February 97
 Spring Lake: June, 1997
2. Landfill: EPA Sub Title D requires lining of the cells
Cost to line 1st cell: \$6 million
Financing: Special Obligation Bonds
Debt Service will be paid from Solid Waste Fees
3. Social Services Building
Currently in design phase
Estimated Cost: \$24.3 million
Financing: COPS
Tentative Date to go to Market: March, 1997
4. Jail
Currently in programming phase
Cost: \$30-35 million for 500 beds
Financing: COPS
Go to Market: June, 1997

5. Renovations to Courthouse (4th floor)
Currently in design phase
Cost: \$3.5 million
Financing: COPS
Go to Market: May, 1996

Commissioner Faircloth pointed out that there has not been a decision yet about the financing, i.e., COPS vs. GO bonds. He said he believed GO Bonds are the preferred method of financing.

Commissioner Shaw pointed out the concern about the public endorsing GO Bonds for projects such as jails, social services buildings, landfills, etc. She also noted because of the critical immediate need for two schools, COPS seem to be a better choice.

4. High School/Middle School Funding

Mr. Kinlaw noted the two options are COPS and GO Bonds. COPS do not require a vote of the people and would be the fastest way to complete the financing. Commissioner Shaw again noted we don't have the luxury of time to mount a campaign for GO Bonds.

5. Marketing Strategy for Financing of Facility Needs

Cliff Strassenburg, County Manager, said he thought the School and the County should try to market these capital needs together so as not to create a conflict.

Commissioner Faircloth asked what needs to happen next in order to move forward. Mr. Strassenburg said he could prepare information to go to the Board for approval once he receives specifics concerning the school construction projects.

Mr. Kinlaw said he could get information to the Manager shortly and Mr. Strassenburg indicated he could prepare something within 30 days for the Board of Commissioners' review.

Members of the County Facilities Committee noted their support for the School System to continue to move forward with the new high school and middle school.

MOTION: Commissioner Faircloth offered a motion that the County Facilities Committee direct the County Manager to bring the full Board a Capital Improvements Plan to include the school projects and the county projects.

SECOND: Commissioner Shaw

VOTE: UNANIMOUS

Commissioner King noted the importance of the school needs; but also asked everyone to keep in mind there are other critical needs the County Board of Commissioners will have to address.

MEETING ADJOURNED: 9:20AM