

MINUTES — SPECIAL MEETING – NOVEMBER 24, 2009

- 1) A special meeting of the Hillsboro Community Unit School District No. 3 Board Education was called to order by President Bill Clinard, at the Hillsboro Unit Office, at 7:00 p.m.
- 2) The following members of the Hillsboro Board answered present to roll call: Barbara Adams, Greg Bellaver, Trina Britton, Lynne Hutchison, Bill Jurgena, Earl Meier, and Bill Clinard.
- 3) Agenda Item 2.0. Consideration of Hillsboro High School Football Field Irrigation and Reseeding Project.
Chairman of the Building and Grounds Committee, Bill Jurgena reported Hillsboro High School Football Coach Aaron Duff came to the Building and Grounds Committee Meeting with a recommendation to irrigate and reseed the High School football field. This would be paid for by the football team at the cost of \$17,145. It was the consensus of the Building and Grounds Committee to let them proceed due to the fact there is no cost to District #3.
Upon a motion by Bill Jurgena, seconded by Greg Bellaver, approve the irrigation and reseeding project for the Hillsboro High School Football Field. On roll call the following voted yes: Barbara Adams, Greg Bellaver, Trina Britton, Lynne Hutchison, Bill Jurgena, Earl Meier, and Bill Clinard. Motion carried 7-0.
- 4) Agenda Item 3.0. Consideration and Discussion of High School Building Project.
Supt. Powell indicated he had information pertaining to the projected cost of the High School Building Project. Supt. Powell stated, "This information is based on the plan presented by the Task Force two weeks ago. It is important to consider a couple of things. These are not bids. We have gotten four cost opinions from four very good construction companies. They are giving their opinion on what they think this project will cost. They are predicting what the bond market will be like in six months and what the construction market will be like in maybe eighteen or twenty-four months." Supt. Powell reported the estimates are significantly lower than what was presented previously.
- 5) Pres. Clinard asked for the hard and soft construction costs to be explained. FGM Engineer Greg Brown explained, "The hard costs are the direct costs. Basically it is the bricks and mortar. The soft costs would include; administration cost, printing costs, any kind of testing, engineering and architectural fees, furniture, technology, wiring, furnishing, and equipment. It is the indirect costs." Supt. Powell continued, "If you take the FGM 5.6 million estimate for soft costs and add it to the range of hard costs from the construction management firms, it gives us this total cost estimate range of 28 million to 32.6 million." FGM's total project cost estimate is 32.9 million. Mr. Brown explained FGM's estimate, "When we tell the school district and the public we are going to get certain things, we want to make sure the funds are there. We are comfortable with the 32 million at this point in time. In another year to six months, it could be more or less but after we set the budget it could never be more."
- 6) Trina Britton asked, "I have been asked several times what the cost to renovate the building would be?" Mr. Brown replied, "I have not done a calculation on it but I can tell you it would be similar if not more. The big problem would be having another facility that you could move everybody off of the campus. You will still have the situation do I just renovate the building and still have the classrooms and gym the same size. It would cost you the same if not more due to the accommodations you will have to make for the students." Supt. Powell added, "I have learned, if you renovate an old building the cost becomes more than half the replacement cost of rebuilding the new structure. Then you will have to bring almost everything up to code." Secy. Hutchison

commented, “You would have to bring it up to ADA standards and it wouldn’t solve our safety issue.”

- 7) Task Force member Roy Hertel asked, “I love the old building but how much would it cost to move these students to some other facility. Like bringing in portable classrooms and making them accessible with everything just like it was in a regular building?” Supt. Powell responded, “Projections are it is about a third of the cost of new construction.” Mr. Hertel added, “So you haven’t accomplished anything but saving the old building.”
- 8) At the request of the Building and Grounds Committee, Supt. Powell was asked to pursue a bond schedule to show the cost between the 28 and the 32.6 million. Supt Powell stated, “The committee decided it would be appropriate to bring forward tonight a scenario that showed the bond schedule for a 29 million dollar bond issue and a 32 million dollar bond issue. Bernardi securities helped me with this projection. We assumed a 2 ½ % annual increase in the EAV. That is consistent with the history of our District. We assumed a \$165,000,000 EAV for next year. The results are \$29,000,000 over 20 years with factoring in the current debt and levelizing the tax rate would bring our bond and interest tax levy rate up to \$1.25. This year it was 74 cents. That’s an increase of 50 cents. Using the \$32,000,000 with the same parameters the tax rate becomes \$1.35 with a 60 cents increase in the bond and interest tax rate. If you make that decision tonight, this is the impact should that bond referendum pass.” Supt. Powell then demonstrated what the impact would be on a homeowner and an explanation of what “fair cash value” means.
- 9) At this time, the floor was opened to the public for any questions or comments. Task Force member Richard Small told of the generosity of the Hillsboro community for the advancement of things that add to the community. In response to Board Member Trina Britton’s question, “As a former administrator and one who has examined every building in Christian and Montgomery County, if I was still working in the Regional Office of Education or as an Assistant State Superintendent, I would be threatening to put a pad-lock on the old facility. That can happen. Renovation does not address the security issue. This is one of the least secure school facilities that I know of and I have been in 90% of them in the state. We have nothing to gain but a better future for our young people.”
- 10) High School student Rachel Luckett commented, “The people don’t want it to leave because it is a historical building. When students from other schools come and visit they see the mold, missing tiles, and the uneven floor. They don’t see the historical value. I don’t think a school is a good place to keep historical value. It needs to be modern. The historical value is not appropriate for how the high school is advancing in technology and learning.”
- 11) Substitute teacher and Task Force member Roy Hertel recounted, “I had many of these students in class yesterday and what we talked about was, ‘The fact the building is not conducive for learning as it is going to be in the future.’ How we are going to educate our kids is going to be completely different and this building needs to reflect it.”
- 12) Agenda Item 4.0. Consideration of a Resolution Providing for the Submission of a Proposition Issuing School Building Bonds at the General Primary Election to be Held on the Second Day of February, 2010.
Vice-Pres. Adams asked, “What is the estimated pay-back period on the bonds?” Supt. Powell responded, “Twenty years. I think it is important to remember that the plan the Task Force developed does not just replace that building and solve the security issue. It also adds more. The auditorium, which is a multi-use facility, and the second gymnasium, which all the other schools in

the area have, use, and need. We use and need an extra gym but we bus all over the District to do that. I would say a high school in the 21st century, of our size, needs two gymnasiums. It needs updated science rooms and it needs to have the security-energy issues addressed. I don't think this is an extravagant plan. It gives the community what it needs. The Board has a two part decision to make tonight. One is do we move forward with putting this before the public on the February ballot and the second is to ask them to allow us to sell bonds and build this building. If so, then what is the not to exceed amount. The thing, I feel very strongly about is whatever decision the Board makes we have to build the building we say we are going to build for the amount or less than what we say we are going to build it. That has got to happen. The way to do that is to deflate the cost only to a degree. The rest comes with responsible planning. We have the right people on board and very good people to choose from. The Board has to make the decision as to what amount to go forward with."

- 13) Pres. Clinard stated, "I would go with the higher amount. I do not want to offer to the community this is what we are going to build and then go back. That is the worst situation, we can get ourselves into." Pres. Clinard asked for any questions or discussion on the matter.
- 14) Greg Bellaver asked, "Then you are saying a total cost of 32.6 million?" Supt. Powell responded, "I would be very comfortable with 32." Upon a motion by Secy. Hutchison, seconded by Bill Jurgena, approve the motion that the Board adopt a resolution providing for and requiring the submission of the proposition of issuing School Building Bonds in an amount not to exceed \$32,000,000 to the voters of Hillsboro Community Unit School District Number 3, Montgomery and Bond Counties, Illinois, at the general primary election to be held on the 2nd day of February, 2010. On roll call the following voted yes: Greg Bellaver, Trina Britton, Lynne Hutchison, Bill Jurgena, Earl Meier, Barbara Adams, and Bill Clinard. Motion carried 7-0.
- 15) Agenda Item 5.0. Consideration of the Engagement of a Bonding Agent. Supt. Powell reported First Mid-State had been used by the Board in previous years. After a reevaluation of the agreement three bonding agents were engaged for a meeting and projections. After consultation with the Task Force and the Finance Committee the way to proceed is with the Build America Bonds. Supt. Powell stated, "First Mid-State is not that interested in working with Build America Bonds. The other two I worked with were Steven Nicholas and Bernardi. Bernardi has risen to the top in what they are willing to do and the service they have given so far. With the Build America Bonds, you are limited to spending no more than 2% fees for Build America Bonds. My recommendation to the Board is that we engage Bernardi Securities. As we look forward to the referendum, we will receive assistance from them." Upon a motion by Vice-Pres. Adams, seconded by Secy. Hutchison, approve the motion to engage Bernardi Securities, Inc. as bonding agent for the school building bond issue. On roll call the following voted yes: Trina Britton, Lynne Hutchison, Bill Jurgena, Earl Meier, Barbara Adams, Greg Bellaver, and Bill Clinard. Motion carried 7-0.
- 16) Agenda Item 6.0. Executive Session. Upon a motion by Secy. Hutchison, seconded by Bill Jurgena, move to go into executive session at 7:40 p.m. to discuss contract negotiations. On roll call the following voted yes: Lynne Hutchison, Bill Jurgena, Earl Meier, Barbara Adams, Greg Bellaver, Trina Britton, and Bill Clinard. Motion carried 7-0.
- 17) Agenda Item 6.0. Executive Session. Upon a motion by Secy. Hutchison, seconded by Vice-Pres. Adams, move to go out of executive session at 8:50 p.m. Voice vote. Motion carried.

18) Agenda Item 7.0. Adjournment.
Upon a motion by Secy. Hutchison, seconded by Vice-Pres. Adams, move to adjourn. Voice vote.
Motion carried.

19) Meeting adjourned at 8:52 p.m.

Hillsboro, Illinois
November 24, 2009

Thomas William Clinard, President
Board of Education

Lynne Hutchison, Secretary
Board of Education

Date minutes approved