DOVER SCHOOL DISTRICT	JOINT BUILDING COMMITTEE DOVER HIGH SCHOOL AND REGIONAL CTC MINUTES	
	Meeting Type:	Regular Meeting
	Meeting Location:	Superintendent's Conference Room, McConnell Center
	Meeting Date:	**Tuesday, August 4, 2015**
	Meeting Time:	**4:30 p.m.**

I. CALL TO ORDER AND ROLL CALL: A meeting of the Dover High School and Regional Career Technical Center Joint Building Committee was called to order on Tuesday, August 4, 2015 at 4:35 p.m. in the Superintendent's Conference Room at the McConnell Center. Present were Robert Carrier, Jason Gagnon, Mark Geuther, Sarah Greenshields and Amanda Russell. Matt Severson was excused. Also present were Superintendent Elaine Arbour, Business Administrator Karen Taylor, Dover High School Principal Peter Driscoll, Career Technical Center Director Louise Paradis, Facilities Director Jeffrey White, City of Dover Director of Planning and Community Development Christopher Parker and NH Dept. of Education Administrator, Career Development Bureau/State Director of Career & Technical Education Timothy Carney.

II. APPROVAL OF MEETING MINUTES FROM JUL 21, 2015: Amanda Russell moved / Jason Gagnon seconded to approve the minutes of the meeting listed. An oral **VOTE PASSED 4/0**.

III. CITIZENS' FORUM: No citizens were present.

IV. FINANCIAL REPORT: Ms. Taylor handed out a draft DHS-CTC Feasibility Study Summary of Cost (Attachment A) which is the format that will be used for the state submissions. She noted that the JBC will be submitting a bill to the state for $82,944. The committee and city manager discussed whether or not those funds would then be added to the Total Feasibility Study Funds remaining, less any outstanding invoices from HMFH. The committee came to the conclusion that yes, they would which would bring the remaining funds number to $258,143.05.

a. Authorizations - none

V. FINANCIAL PREVIEW – City Manager: Mr. Joyal stated that financing for the high school and CTC were originally anticipated in the Capital Improvements Program (CIP) for the city of Dover in the last seven years. He explained that the CIP is a six year plan that identifies the major projects to be taken on by the city and then identifies the means through which they will be financed, whether through debt financing, capital reserve funds, grant funding or out of the operating budget. He shared that the high school project has meandered through the CIP over the last decade or so and ultimately has established itself in the past six years. He continued that the plan was for it to be funded beginning in this fiscal year (2016) with the plan to begin construction in the next couple of months. He shared that the original number placed in the CIP for the project was $67.3M dollars of local funding (although how that number was arrived at is not clear) plus an additional 10M from the state for the CTC. He continued that through the work of the JBC in the feasibility study and the choice recommended by the JBC and school board, that number is now 86.5 of which 73M would be financed through local resources.

Mr. Joyal continued that when the CIP was adopted last fall the original plan was to bond the money over three years; however the city has asked the legislature to make some specific changes that would allow Dover to have more flexibility in how they issue debt. Prior requirements in the state law were that in any given year, a city's debt service cannot vary any more that 2%. Since that rule was adopted there have been other creative financing mechanisms that have come into play in the public sector and it has been recognized that municipalities, with appropriate guidance, can structure debt so it actually minimizes the cost to those paying back that debt. He continued that the cities of Manchester and Nashua asked to be allowed to utilize alternate financing and were granted permission to do so. He stated that Dover asked to be allowed to pursue alternate financing scenarios and was granted permission by the state last spring. He mentioned that the debt scenario the city is looking at also includes the anticipated additional adequacy aide beginning FY 2017, although they have run scenarios without it. He stated that including that additional revenue source (the state aide) and using the wrapping methodology for debt which allows the city to structure debt service payments so that as older bonds are paid off, the city can increase the amounts paid toward the high school on any given year. He handed out a copy of the debt scenario they came up with (Attachment B, pgs 5-7) and explained that this scenario allows them to keep the projected total debt service (3rd row down) relatively flat. He explained that what that means is that the impact to the taxpayer in any given year is minimal. He stated that there will be an initial impact in the 3rd year of the project (FY 2017), which would be $0.27 (per thousand) , which equates to about $64 dollars for the average residential home or $211 for the average commercial property in the city. He continued that there will be an additional increase in the following year (FY2018) of about $33 for the average residential home owner and $109 for the average commercial property owner. He stated that every year thereafter there is a minor decrease to the impact. He clarified that this is not including any other additional city costs that might affect the city tax rate; this is the high school project only.

Mr. Joyal mentioned that with the ability to use the wrapping methodology for financing, the estimated tax impact for the high school project with a slightly more expensive project (73M) as shown on the right (Attachment B, pg 1) actually has less tax impact than the CIP that the council adopted this past fall (2014) as shown on the left (Attachment B, pg 1/full breakdown pg 8) which includes the lower debt estimate for the school project using the standard financing. He stated there is a cost to this financing, which will be about $1M over 25 years.

Mr. Joyal handed out a copy of the wrapping scenario without the anticipated adequacy aide (Attachment B, pgs 9-11) and scenarios using the standard 2% rule with and without the state aide (Attachment B, pgs 2-4, pgs 12-14). Mr. Carrier asked for clarification on the cost of the wrapping scenario, if the aide from the state for some reason does not come through. Mr. Joyal answered that the increase in the first couple of years would be a total of about 216 dollars for the average homeowner instead of the approximate 97 dollars with the adequacy aide.

Mr. Carrier asked if the council votes to move forward on August 26th, what the process is after that. Mr. Joyal responded that there will be several weeks of required document preparation for bond sale and then they would prepare to advertise and go to market. He continued that the timing of going to market would be over the holidays. He specified that $23.3 has already been appropriated meaning that the number the council is being asked to appropriate on the 26th is $49.7M and that once that is appropriated, the JBC can move forward with the project.

VI. DISCUSSION OF TIMELINE: The committee confirmed that they will meet again on the 18th with the next meeting being Sept. 15th and will be adjusted as necessary. They decided that they will review the Fee Proposal (for the balance of the project) at the August 18th meeting.

VII. REVIEW AND VOTE ON HMFH FEE PROPOSAL (Attachment C): Mr. Gagnon stated that he felt the items identified in the July 31 letter regarding August work were in line with continued feasibility research. Ms. Taylor noted that the first two items (verify classroom quantities and program requirements and finalize the conceptual footprint) would most likely be eligible for reimbursement from the state. Mr. Geuther commented that it is important that we specify that we will authorize work for up to $190,000 or the remaining available funds, noting that it could be less. Amanda Russell moved / Jason Gagnon seconded to accept the proposal as provided in the letter provided that HMFH provides a detailed breakout of time and materials not to exceed $190,000 or the available funds, whichever is less. An oral **VOTE PASSED 4/0**.

VIII. REVIEW CITY COUNCIL QUESTIONS (Attachment D): The committee discussed and decided that questions 1-7 would be sent to the architect to answer, questions 8 and 9 would be answered by the business administrator and then the answers would be compiled and forwarded to the city council as soon as that was done.

IX. MATTERS OF INTEREST: Mr. Carrier mentioned that it is important that the committee make sure all questions sent to the committee are answered consistently and asked that all answers be filtered through the recording secretary in order to ensure that consistency. The committee agreed on that process.

X. BUILD NEXT AGENDA & REVIEW ACTION ITEMS:

- **a.** Send questions 1-7 to HMFH
- **b.** Schedule Open Mic (Mr. Carrier, Dr. Arbour, Mr. Parker, Mr. Driscoll & Ms. Paradis)

I. ADJOURNMENT: Jason Gagnon moved / Amanda Russell seconded to adjourn the JBC meeting at 6:15 p.m. An oral **VOTE PASSED 4/0.**

Respectfully submitted,

Melissa Glidden
Melissa Glidden, Recording Secretary