

Corning Union High School District

Special Board Meeting

Minutes

Date: Tuesday, November 3, 2020

Time: 4:00 pm

Location: TELECONFERENCE

1. Call to Order

The meeting was called to order at 4:00 pm.

2. Flag Salute

The board saluted the flag and recited the pledge of allegiance.

3. Roll Call

Board Members present in person: Bill Mache, Todd Henderson & Jim Bingham

Board Members present via teleconference: Scott Patton (4:07 pm)

Board Members absent: Ken Vaughan

4. Classroom Construction Plan

Board Member, Scott Patton joined the meeting via teleconference at 4:07 p.m.

The two potential actions were discussed:

1. Direct Superintendent Caylor to sign agreement with AMS to complete 11 classrooms in 2021 with a stipulation that if the District cannot secure financing for all the classrooms the agreement is void. Also direct Superintendent Caylor to pursue a loan as discussed to complete all 11 classrooms in 2021.
2. Direct Superintendent Caylor to sign an agreement with AMS to complete 5 or 6 (depending on layout/logistics) classrooms in 2021. This action would mean that the District is NOT pursuing a loan at this time. Also direct Superintendent Caylor to pursue a loan as discussed to complete all 11 classrooms in 2021.

Basic Information:

- Mini Loan for amount of state modernization grant (approx \$1,000,000)
- Private placement loan rather than public offering (higher interest, lower fees advantageous for early payoff)
- No payments for 2 years
- Approx. 3.5% interest
- .5% additional for early call provision
- Process needs to start by January

Benefits:

- \$113,540 savings in modular building cost
- Potential savings in site work (determined at time of bidding)

- Potential savings in cost escalation (not sure)

Risks:

- If state money does not come in within 2 years (by Jan 2023), District general fund will have to pay \$70,000 per year in principal/interest

A motion was made by Scott Patton and seconded by Todd Henderson to approve American Modular Systems (AMS) to move forward with work to complete all 11 classrooms with a stipulation that if the District cannot secure financing for all of the classrooms the agreement is void. Also direct Superintendent Caylor to pursue a loan as discussed to complete all 11 classrooms in 2021.

The being no further discussion, the Board voted unanimously to approve that AMS to complete 11 classrooms in 2021 with a stipulation that if the District cannot secure financing for all the classrooms the agreement is void. Also direct Superintendent Caylor to pursue a loan as discussed to complete all 11 classrooms in 2021.

The vote is as follows:

Ken Vaughan	Aye: _____	No: _____	Absent: <u>X</u>	Abstain: _____
William Mache	Aye: <u>X</u>	No: _____	Absent: _____	Abstain: _____
Todd Henderson	Aye: <u>X</u>	No: _____	Absent: _____	Abstain: _____
Scott Patton	Aye: <u>X</u>	No: _____	Absent: _____	Abstain: _____
Jim Bingham	Aye: <u>X</u>	No: _____	Absent: _____	Abstain: _____

5. Closed Session

The Board adjourned to closed session at 4:37 pm.

6. Reopen to Public Session

The Board reopened to public session at 5:07 pm.

7. Announcement of Decisions Made in Closed Session, if any

Superintendent Jared Caylor announced that the Board unanimously approved the separation agreement between Corning Union High School District and Certificated employee of the district.

8. Adjourn

The meeting was adjourned at 5:07 p.m.

Approved

William Mache, President

James Bingham, Clerk