



## **Endeavor Board Meeting Minutes: July 9, 2013**

### **Call to Order:**

Board President Lisa Springle called the meeting to order at 7:11pm in Endeavor's Multi-Purpose Room.

### **Present:**

Steve McAdams, Bill Borter, Kevin Myers, Andy Kristianson, Lisa Springle, Christian Nechyba, Margaret Holder and Sarah McConnell (arrived at 7:40, left at 9:43 – Kevin Myers was her designated proxy for votes occurring during her absence) were present.

### **Foundation Updates**

John Collar and Jeff Poley discussed the logistics for the closure of the Bond. Specific detail on the building permits timing for the Bond, the need to pay the fee in lieu to City of Wake Forest to get the building permit, and the need for reserve funds to close the Bond. Jeff Poley will work with Jeffrey Aherns from BB&T on how to resolve and meet the reserves for the Bond.

Andy Kristianson moved to approve the issuance of a payment up to \$150,000 to satisfy the fee in lieu requirement of the Town of Wake Forest and allow the funding of the Bond on July 17. Christian Nechyba seconded. The motion passed unanimously.

Kristin Hess discussed the site plan resubmittal with the Town of Wake Forest. Tim Edwards is currently reviewing the resubmittal. His original comments were minimal, but at the time he stated he would await DoI approval prior to his approval. That has now been given, but Mr. Edwards has not yet approved. Amy Luciani will follow-up with him on Wednesday to attempt to expedite his approval, as it is also needed for closure of the Bond.

The Board and Foundation representatives then discussed the need for a Lease Agreement and how to handle the accounting of the need for the Foundation to repay outstanding loans from the Board via allowance for underpayment of the lease payments for approximately the first 27 months of the lease. Jeff Poley confirmed that the lease agreement has been drafted, and that John Collar and Bill Borter will need to work together to finalize the total that will be credited back to the Board.

Kristen Hess updated the Board about the final discussions with the City of Wake Forest around colors and water table. The Building color scheme has been approved by the City, and has been finalized as part of the design.

The Board discussed JD Beam Amendment 3, which sets the guaranteed max-price (pre-permits). Andy Kristianson updated the Board on the meeting of the Foundation Board on July 8 where this was discussed in detail. His summary was that the stipulations and exclusions do not raise serious concerns of our project manager or others experienced with this kind of project. The Foundation Board recommended that the Board approve Amendment 3 as presented.

Frank Highley then discussed the Amendment in detail, including items that he is currently pricing out, such as automatic flush valves, that could be added in the future depending on budget. The Board then discussed with Amy Luciani and Frank how Proposed Change Orders (PCOs) will be handled in the future.

The Board also asked questions about the 12-month contract length, given the desire to keep it to 10 months to ensure that we are able to exit the current building by midnight July 1, 2014. While Frank believes this is achievable, he also is able to rent trailers at low-cost if there is overlap for several weeks before issuance of the Certificate of Occupancy.

Frank presented a 'Notice to Proceed' that included notification of future change orders to come. The Board also asked input from Kristen on any issues that would preclude her endorsement. She has one outstanding issue with the brand of the partition proposed. Options are being investigated to replace this that may or may not change the overall price.

Andy Kristianson moved that the Board approve Amendment 3 as provided by JD Beam on June 14, 2013 and authorize David Clodgo signing on behalf of the Endeavor Charter School Board and Foundation Board. Bill Borter seconded. Motion was approved unanimously.

Andy Kristianson moved to authorize the Foundation to sign the Notice to Proceed as presented by JD Beam on July 9, 2013. Lisa Springle seconded. Motion was approved unanimously.

The BB&T Commitment Letter was then discussed. This had been discussed in past meetings, including how certain terms would be calculated and the stipulations they would put on the Board on specific debt covenant calculations. The Foundation Board recommended that the Board approve. Kevin Myers moved that the Board approve the BB&T Commitment Letter. Andy Kristianson seconded. The motion was approved unanimously.

### **Treasurer's Report**

The paperwork for opening accounts with BB&T has been completed.

The final 2012-2013 Budget showed a surplus of \$293,086.92. It appears that we are not receiving enough funds for the field trips, with a deficit balance of approximately \$15,000. Bill Borter and Margaret Holder will follow-up with PAWS and with Acadia to ensure that their contribution has been properly accounted.

The budget submitted for 2013-2014 once audited required some changes per Acadia. Bill will make the adjustments and send to Acadia for filing with the State this week.

### **Public Comments**

There were no public comments.

### **Closed Personnel Sessions**

Kevin Myers moved that the board go into closed session to discuss a personnel issue, pursuant to statute 143.318.11 (a) (6). Steve McAdams seconded the motion. The motion was unanimously approved, and the board moved into closed session at 8:48 pm.

Kevin Myers moved that the Board move to open session. Margaret Holder seconded. The motion was unanimously approved. The Board reconvened in public session at 9:40 pm.

### **Personnel**

Christian Nechyba moved that the Board award a bonus of \$1,350 to Steve McAdams, representing 45% of his scheduled bonus payout, to match that previously given to eligible staff for the 2012-2013 School Year. Kevin Myers seconded. The Board approved unanimously, with Steve McAdams and Sarah McConnell abstaining.

### **Foundation, Revisited**

Kevin Myers moved to approve the issuance of an additional payment up to \$50,000 to cover required permitting fees to the Town of Wake Forest. Christian Nechyba seconded. The motion passed unanimously.

The meeting was adjourned at 9:51.