The Cleveland County Board of Commissioners reconvened from their August 2, 2022 meeting on this date, at the hour of 6:00 p.m. at the Cleveland County Schools located at 400 W. Marion Street in Shelby.

PRESENT:
Kevin Gordon, Chairman
Deb Hardin, Vice-Chair
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Doug Bridges, Commissioner
Brian Epley, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board

CLEVELAND COUNTY BOARD OF EDUCATION

PRESENT:
Robert Queen, Chairman
Joel Shores, Vice-Chairman
Phillip Glover, Councilman
Dena Green, Councilman
Danny Blanton, Councilman
Coleman Hunt, Councilman
Rodney Fitch, Councilman
Ron Humphries, Councilman
Greg Taylor, Councilman
Kelly Bridges, Clerk to the Board

CALL TO ORDER

Chairman Gordon called the meeting to order, and Pastor Tom Runyon from Beaver Damn Baptist Church provided the invocation and led the audience in the Pledge of Allegiance.

RECONVENE

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins and unanimously adopted by the Board to, reconvene from the August 2, 2022 regular Commissioners’ meeting.

AGENDA ADOPTION

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin and unanimously adopted by the Board to, approve the agenda as presented.

REGULAR AGENDA

PRESENTATION BY MCMILLAN, PAZDAN & SMITH ARCHITECTURE – FACILITIES ASSESSMENT AND EXECUTIVE SUMMARY

Board of Education Chairman Robert Queen called representatives from McMillian, Pazdan and Smith Architecture (MPS), Ben Thompson, Hamilton Cort and Peter Nilson to the podium to present the Facilities Assessment and Executive Summary for Cleveland County Schools. MPS is a regional studio-based architecture planning and interior design firm that has been practicing since 1955 with offices in Charlotte, Asheville, Greenville, Spartanburg, Columbia, and Atlanta. Their services include master planning, programming, architecture, interior design, graphic design, and construction administration. Mr. Thompson stated the purpose of the executive summary report is to present information to the Board of Education and Board of County Commissioners regarding the facilities assessment results, and their potential effects on the community such as
travel/tourism, economic growth and future costs. Through the development of the assessment, the team focused on two primary components, demographic forecast and space utilization. These two data points, in addition to other information collected, form a plan of action.

Mr. Thompson continued by explaining to all Board members the process of gathering and delivering the facilities assessment including cost perspective and building/campus maintenance for Cleveland County Schools in the next five to seven years. The initial assessment begins with an in-field review and data collection, capturing as much information as possible.

In-field reviews included engagement with each school’s principal, a select number of teachers and maintenance staff throughout the school districts. A teacher-wide survey was also completed to understand how teachers think about their building. That beginning discovery phase will assist in gathering information on how schools are being used, energy consumption and district enrollment trends to help School Boards make data-driven decisions including long-term maintenance planning.

Cleveland County has 30 school facilities, 27 of which were reviewed. The remaining 3 schools were newer and did not need additional review at the time of evaluation. Assessors then took information from census data including local economic development data, birth and death rates, as well as several other pieces of information the state provides, to assist with the data forecasting. The following executive summary of information was presented in detail to Board members:

1. The resident total fertility rate for the Cleveland County Schools over the life of forecasts is below replacement level. (1.87 vs. 2.1)

2. Most in-migration to the district continues to occur in the 0-to-9 and 24-to-44-year-old age groups

3. The local 18-to-24-year-old population continues to leave the district, go to college or move to other urbanized areas. This population group accounts for the largest segment of the district’s outmigration flow and will increase steadily over the last 10 years

4. The primary factors causing the district’s enrollment to decrease over the next 10 years is the increase in empty-nest households, the relatively low number of elderly housing units turning over coupled with a flat rate of in-migration of young families

5. Changes in year-to-year enrollment over the next ten years will primarily be due to relatively small cohorts entering and moving through the school system in conjunction with larger cohorts leaving the system

6. The elementary enrollment will slowly increase over the next 10 school years

7. The median age of the district’s population will increase from 42.0 in 2020 to 43.1 in 2030

8. Even if the district continues to have some amount of annual new housing unit construction over the next 10 years, the rate, magnitude and price of existing home sales will become the increasingly dominant factor affecting the amount of population and enrollment change

9. Total district enrollment is forecasted to decrease by 351 students, or -2.5%, between 2021-22 and 2026 - 27. Total enrollment will decrease by 125 students, or - .9%%, from 2026-27 to 2031-32

Commissioner Hutchins inquired if building permits were included in the enrollment forecasting. The representatives from MPS advised building permits were included in the study, outlining how the data was collected and formulated for future enrollment growth. Members from both Boards had an open discussion with the MPS representatives regarding population growth, incorporating the rate of development and construction pace.
The second component of the assessment is the school facilities maintenance planning and projected costs. Focus areas in this section of the study included building and campus physical conditions, specializations, renovations, enrollment and operations. Board members were advised when making decisions regarding current maintenance and long-term planning to also include ADA requirements, safety, visibility improvements security and building energy efficiency. Assessors went to every single school in the district, going room by room and identifying deficiencies throughout the school campus. The information collected then generates a deficiency report, which includes a severity rating for each issue found, that goes to the maintenance department. That deficiency report helps develop a maintenance plan moving forward. The final section of the assessment is the executive summary. Key points of the summary include:

- Maximizing operational efficiency and effectiveness should inform key decisions on maintaining, improving, or changing each campus within the school system’s portfolio of buildings.
- Maintain the school system’s four identified enrollment zones for student matriculation from Kindergarten through 12th Grade.
- Continue to maintain and improve each of the school system’s four high school campuses in their current locations.
- In each enrollment zone, campuses should be designated by age group. Age grouping should include Elementary Schools (K-5th Grade), Middle Schools (6th-8th Grade), and High School (9th – 12th Grade).
- For Cleveland County Schools overall, and for the Shelby and Kings Mountain attendance zones specifically, smaller age groups in an ‘intermediate’ campus should be considered for elimination. Instead, these age groups should consider following the age groupings listed above.
- For Cleveland County Schools, the optimal elementary school enrollment ranges from 450 – 600 students. Optimal middle school enrollment ranges from 800 – 900 students. Optimal high school enrollment ranges from 1,000 – 1,500 students.
- Program types should expand ‘choice’ offerings and may include special education, early childhood education, technical education, college preparatory education, or other similar programs that may develop.

The Facilities Assessment and Executive Summary for Cleveland County Schools is a recommended action plan to be used as a tool moving forward with school improvements, long-term maintenance planning and achievable short-term projects. MPS representatives transitioned into the projected construction and total project costs of the maintenance planning. Indirect construction costs include required due diligence studies, surveys, general conditions, professional fees, legal costs, permitting and inspection costs, technology infrastructure and insurance among other similar costs. These represent 23 – 37% of the overall project budget depending on the project’s typology, complexity and size. Cost escalation is a variable percentage of direct costs for the project’s duration; therefore, it is also directly related to the Capital Improvement Plan Master Schedule. The costs are projected to escalate 8% per year after June 2023. Due to the complexity of this total project, unforeseen conditions, especially now due to rising inflation rates, cost escalation and product availability a contingency of a minimum of 10% is important. If every issue was addressed immediately the cost estimator found that spec direct cost is about $106.3 million, looking at all 27 schools assessed which were reviewed in detail by MPS.
The following information and PowerPoint were presented to Council members and Commissioners. (a full copy of the MPS Facilities and Executive Summary is on file at Cleveland County Schools and the County Clerk’s Office).
EXECUTIVE SUMMARY

1. The net out-migration rate for the Cleveland County Schools over the next ten years is below replacement level (1.07%).
2. Most immigration into the district will be caused by retirees moving into the area from outside the state, including states in the Northeast.
3. The district's student enrollment is expected to decrease by almost 15% over the next five years, with a decrease of 20% over the next ten years.
4. The district is preparing for this decline by reducing the number of seats available in each attendance zone.
5. The overall trend of decreasing enrollment is expected to continue for an extended period of time, even if immigration increases.
6. The cost of maintaining facilities and providing services to a decreasing student population will decrease, allowing the district to reallocate funds to other areas of need.
7. The district is considering various options for consolidation and revitalization to ensure continued viability.
8. The district is implementing strategies to increase enrollment and maintain funding stability.
9. The district is committed to providing quality education to all students, regardless of enrollment levels.
School Board members had an open discussion with MPS representatives regarding projected costs, district comparisons, renovations, short-term and long-term maintenance goals and individual school assessment results.

**ADJOURN**

There being no further business to come before the Board at this time, Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, to adjourn the meeting.

The next meeting of the Commission is scheduled for **Tuesday, September 6, 2022 at 6:00 p.m. in the Commissioners Chamber.**