



**Minutes of the  
Colonial Beach Town Council Special Meeting  
Joint Meeting with Colonial Beach School Board  
Wednesday, February 12, 2014 at 5:00 p.m.  
And Continued on Monday, February 17, 2014 at 6:00 p.m.**

Colonial Beach Town Center  
22 Washington Avenue  
Colonial Beach, VA 22443

**Present**

Mayor, Mike Ham  
Vice Mayor, Tommy Edwards  
Member, Pete Bone  
Member, Linda Brubaker  
Member, Jim Chiarello  
Member, Wanda Goforth

**Also Present**

Town Manager, Val Foulds  
Town Clerk, Kathleen Flanagan

**Town Council Call to Order**

Mayor Ham called the Town Council meeting to order at 5:04 p.m.

**Roll Call of Town Council Members**

All members of Town Council were present, with the exception of Gary Seeber who is out of town.

**School Board Call to Order**

School Board Chairman Tim Trivett called the Colonial Beach School Board to order.

**Roll Call of School Board Members**

All school board members were present.

## **Presentation by School Board**

Ms. Beane passed out a timeline to Council and School Board which sets forth a timeline for the elementary school move by September.

There are several changes to the document since first presented to Council in October. The company that currently provides the modpods have provided a cost of moving the modpods to the high school campus, including utility disconnection and moving ramps, delivery and set up of new modular.

The new site improvements include preparing the site at a cost of \$249,050. Included is a conceptual drawing.

In a separate item, listed are the expenses and proposals for prepare and placement of the high school. This is a whole separate project from the relocation.

There is \$100,000 of extra expenses already encumbered to keep the children where they are at Oak Grove Baptist Church.

There is an additional \$100,000 which has been promised from the insurance company to help with the costs being incurred.

According to the timeline, Council makes a commitment today. On the 17<sup>th</sup> selection of a site engineer and School Board votes to send three current modpods back in order to save money.

In March 2014 we will owe \$14,000 to take the modpods back.

On March 1, we would like \$25,000 to pay for the RFP for the entire project.

On April 1, we will post the RFP and close it on the 20<sup>th</sup>. Then on or before the 30<sup>th</sup> of April we will notify contractors that have responded and been selected.

In May, we will do the site work and utilities.

In June, we will have payments and invoices from contractors.

June 15, we hope the modular units will arrive with hook up in July through October.

That does not give us much time.

Ms. Beane noted she would entertain questions.

Mayor Ham asked about the insurance proceeds (\$100,000) and whether or not other insurance payments are expected.

Mr. Trivett noted initially the School Board hired a company to represent them. To date, nothing has been received from the insurance company. There is a contingency in the policy allowing the Board to draw funds immediately.

Mr. Trivett had a teleconference today with the insurance company and is hopeful the Board will receive from funds. A lot of costs has been incurred in moving the school to Oak Grove Baptist Church.

We cannot guarantee what will happen with the insurance company.

This is a critical deadline and we were promised \$1 million in October from Town Council.

Ms. Brubaker asked “It’s \$7,300 a month when you return the modular. The last electric bill would be minimum \$3,500. So you would save approximately \$10,000. That could be factored in.”

Mr. Bone noted something has to be done immediately. In a conversation with the Town Manager, that \$448K is something we have to do today. But there should be a Memorandum of Understanding that these funds will be reimbursed as the insurance comes in.

Mr. Bone noted his understanding of what occurred at the October meeting was the town was looking, procedure wise, for a bond for up to \$1 million. Mr. Bone said he was not a fan of using 30-year notes for short term investment.

Mr. Bone recommended Council have the Town Manager look at immediate funding of the \$448,565 within three days. We could then call a special meeting to approve that amount of money with a Memorandum of Understanding so insurance money would be reimbursed back to the town.

Mr. Bone then recommended Council look at the other \$1.2 million bond as a separate issue.

Mayor Ham noted both a short term and long term remedy had been previously discussed before the fire. The long term solution was to build a building. The school board was going to transfer back to the town the property where the old high school is, the elementary school, plus the ball park on Lynnhaven. The town would look to see how to turn the properties into money and start funding building the school.

Ms. Foulds noted VML/VACO has qualified the town. If Council wants to move forward with that loan, VML/VACO would put the loan out for bond.

Mayor Ham noted if we do that that would give us sufficient money to get things done, including the high school repairs.

Ms. Brubaker said “If we’re going to go for a bond, why wouldn’t we go for \$1.2 million. But in good faith, tell them we’re going to back them for the \$448K.”

Mr. Bone agreed.

Mr. Bone further recommended Ms. Foulds bring back a means of getting the \$448K by tomorrow night.

Ms. Foulds answered “Three days.”

Ms. Goforth suggested a meeting on Sunday.

Mayor Ham asked if the VML/VACO facilitated loan, would the town have to accept the funds at once or take draws. That would cover the \$448K and we could start prioritizing improvements to the high school.

Mr. Bone noted if you go the bond route, you still have to have public hearings, and you’re talking May or June, which is past our window for the \$448K.

Ms. Foulds answered a question posed saying, yes, there will be a prepayment penalty.

Mayor Ham made a proposal to “Task the Town Manager to locate and identify the funding, in the amount of \$448,565, within three days and to work with the Town Attorney to create a Memorandum of Understanding regarding repayment of insurance proceeds and set a special meeting in three days or no later than Monday, February 17.” Mr. Bone made the motion. Ms. Brubaker seconded the motion.

Mayor Ham called for a voice vote on the motion on the table. All in favor, signify by saying “aye.” The “ayes” have it. The motion passes.

-----Resolution #17-14-----

**Resolution #17-14, Tasks the Town Manager to locate and identify funding in the amount of \$448,565**

**BE IT RESOLVED** that the Colonial Beach Town Council hereby tasks the Town Manager to, within the next three days, locate and identify funding in the amount of \$448,565 as requested by the School Board on this date; and

**BE IT FURTHER RESOLVED** that the Colonial Beach Town Council further tasks the Town Manager to work with the Town Attorney to craft a Memorandum of Understanding between the Town and the School Board regarding repayment of the \$448,565 from any insurance proceeds that may be forthcoming upon receipt of said insurance funds.

-----End of Resolution-----

Ms. Goforth asked how Ms. Beane and Ms. Tunstall arrived at the figures on the handout and will RFPs be put out and is there a way to save money by going to other companies.

Ms. Beane noted the figures used are on the high side. An RFP will go out for modular units.

Mayor Ham asked for a motion to recess the meeting until Monday, February 17, 2014 at 6:00 p.m.

J.D. Martin asked Ms. Foulds to change the loan amount to \$1.2 million.

Mayor Ham recommended keeping the amount at \$1 million.

**Recess/Adjournment**

At 5:47 p.m. Mayor Ham recessed the meeting to the call of the Mayor.

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Kathleen Flanagan, Town Clerk

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Mike Ham, Mayor