

## Bath High School Preservation

### Board of Directors Meeting – September 14, 2010

The regular monthly meeting of the Board of Directors of Bath High School Preservation was held on Tuesday, September 14, 2010, at 7:00 P. M. at the Bath Christian Church Fellowship Hall, the President of BHSP presiding and the Secretary present.

**Directors Present:** John Baldwin, Connie Bond, Marti Buchanan, Jim Cox, Surry Everett, Thom Haigwood, Sandra Harrison, Carol Persche

**Also Present:** Jimmy Edwards, Claudia Alligood, Mike Godley, Susan Modlin, Star Credle, Elaine Harrison, Nelda Ormond, Diane Boyd, Gene Roberts, Karen Sayer

- I. **Call to Order** – Jimmy Edwards called the meeting to order and welcomed guests.
- II. **Secretary Report** – Minutes of the August 3, 2010 meeting were approved.
- III. **Treasurer's Report** – Mike Godley reported that BHSP holds assets totaling \$138,544 currently, with liabilities of \$80,000 (Town of Bath). Mike then answered questions concerning the value of the school. The Board approved the report. Mike Godley presented a report concerning BHSP's recent audit. He noted that letters have been sent to persons who collect money for the organization for various reasons. Triplicate receipts must be used from this point forth when recording money collected for the organization. Records of inventory must be accurate, particularly when new items are purchased. Mike reported that there were not actionable items from the audit. This report was also approved.
- IV. **Committee Reports**
  - A. Committee of 100

Jimmy announced that he has asked Star Credle to serve as liaison between BHSP and the Committee of 100. Ms. Credle stated that she had talked with Tommy Thompson. He has received no word back from Canada, County Commissioners have passed a resolution in support of his project as a means of pursuing the political route, and he hopes to know something positive by the end of the year.
  - B. Fundraising Report

Claudia Alligood gave an update concerning ticket sales for the raffle, donations, and auction items received to date. She also acknowledged helpers who are planning for their jobs at the auction in order to make it an enjoyable and profitable event for BHSP. She is concerned that the sales and collections are down significantly from last year.
  - C. Publicity

Jim Edwards commended Marti Buchanan for the great article in the local newspaper on 9-14-10 in advertisement of the upcoming auction. Marti said that a similar article will appear in the Beaufort-Hyde paper the following day. She sought volunteers to appear in WITN news on 9-16. Sandra Harrison and Connie Bond agreed to the interview. Marti announced that she has contacted Walter B. Jones's office and a flag that has flown over the capital is forthcoming. She also reported that she has been in touch with

the Chesapeake Bay Company and that Santas cannot be ready for this year as the desired fabric could not be located. Maroon Santas can be ready for the 2011 selling season. The number of Santas still on hand was briefly discussed. Jim made the motion to continue with the Santa project for next year. Voting members passed the motion; Sandra Harrison voted nay.

D. Building Committee

Sandra Harrison announced that the Building Committee had met prior to the current Board meeting. LeRae Umphleet has resigned and Horace Waters have agreed to be available for consultation but would prefer to not attend meetings. Connie Bond and John Baldwin have been added to the committee. Four quotes for painting the exterior trim on the flagpole side and completing the exterior trim of those unfinished on the Visitors Center side of the North Building were reviewed by the committee. Reuben Braddy was selected to do the project. The building committee added other needed repairs which will include caulking / sealing these window s making a total labor cost for the project of \$2100.

At this juncture a discussion ensued as to availability of funds for various projects. Jimmy Edwards announced that he and Gene Roberts and their spouses had submitted their names to the Bath Town Council to replace James and Phyllis Boyd as guarantors of BHSP's debt to the town. Jimmy further stated that James Russell had agreed to the change in guarantors with the town's approval and the town council had agreed to the change with James Russell's agreement; the papers are being redrawn by the town attorney.

Discussion of the Board's action in October 2009 – to restrict spending and set aside funds from fund raising to pay off the building ensued. Surry Everett moved, and Marti Buchanan seconded that the 2009 resolution be rescinded. The Motion passed with Thom Haigwood voting nay.

A great deal of discussion followed as to the Board's stand on restricted funds. In October 2009 BHSP's Board adopted a resolution in which all funds raised through fundraising efforts and donations specified for purchase of the building be used solely to pay the debt to the town, with the exception of \$5000 that would be held for operating expenses. The primary discussion centered around the question of using the money currently in the treasury for things other than reducing the debt. It could not be determined by the treasurer without further study that unrestricted money is available for the project the building committee has proposed. Discretionary money has been spent, and other funds are restricted pending the official replacement of the Boyd's as guarantors. Sandra's motion to move forward with the work to be done by Reuben Braddy was passed, with Thom Haigwood and Connie Bond voting nay.

E. Grants Committee

Gene Roberts gave an update on the two grant applications he has just completed, one to Covington Foundation and one to Hillsdale Foundation. He stressed the facts that the structure can be saved, local organizations have looked over our ideas and given money to help us. He has broken the project down into phases for grant-writing purposes, and emphasized that historic preservation is a priority. The Grant Committee will be meeting soon to look at other available grant applications. Walter Jones can provide guidelines from the federal level.

F. Historic Bath Foundation Offer

Mike Godley, James Russell Boyd, and Nelda Ormond were appointed to a committee to meet with representatives from HBF to iron out details concerning an offer of money from HBF to BHSP to assist with the Bath High School project. Very broadly the offer is for \$50,000 with a 6-year option on the northwest section of the building (office wing) with a possible 4-year extension, at a donation of \$10,000 per year. The goal of HBF is to see a museum in that wing. Thom Haigwood felt that a lawyer is needed to draft the resolution. Questions concerning the level of restoration, insurance, utilities and other matters were brought forth. Jim Cox expressed concern about moving on the agreement with HBF without discussing and considering the Committee of 100's proposal. Surry Everett emphasized nothing in the HBF's agreement precludes the use of the building by Tommy Thompson's group. Susan voiced legal difficulties involved in condominium-type divisions and ownership. Sandra Harrison reported on the visit to Raleigh to see the historic museum and to hear a report on tax credits. Sandra emphasized the fact that we have to move on the offer from HBF now or lose it. Sandra Harrison presented a draft resolution and moved that BHSP accept Historic Bath Foundation's terms of agreement. Carol Persche seconded. Discussion followed: Jim Edwards explained information gained on tax credits. Jim Cox questioned whether HBF will agree to the Committee of 100's proposal if it materializes. Surry Everett assured the group that HBF is looking for owners and operators for a museum. Gene Roberts urged the group to vote on the agreement with the foundation TONIGHT! John Baldwin pointed out the positives and negatives of joining forces with the Foundation. He proposed the following amendment to Sandra's motion: Second was by Jim Cox.

A three year buy-out clause should be added to the agreement ...with the provision that should BHF fail to exercise its option during the first three years and any group provide sufficient funds for renovation of the North Building space for the purpose and in the manner agreed upon and want to take possession of the Northwest wing of the school during the first three years of the agreement with HFB; HBF will be paid back its \$50,000 investment, plus \$10,000. Sandra agreed to the amendment with the understanding that the spirit of the Agreement remain the same.

(See attached agreement cited "Agreement of Historic Bath Foundation and Bath High School Preservation," with the amendment incorporated).

Vote on the amendment was 5 ayes, Thom Haigwood nay, others not voicing a vote. The vote on the motion was 5 ayes, two nays from Thom Haigwood and Connie Bond, and Marti Buchanan abstained.

A replacement will be elected at the next meeting to fill June Wallace's term.

**Next meeting date: October 5, 2010**

Minutes submitted by Secretary Claudia W. Alligood

Date approved: \_\_\_\_\_

\_\_\_\_\_, Jimmy Edwards, President

\_\_\_\_\_, Claudia W. Alligood, Secretary

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# AGREEMENT OF HISTORIC BATH FOUNDATION AND BATH HIGH SCHOOL PRESERVATION

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Whereas, a key component of the mission of Bath High School Preservation is to promote adaptive reuses of the BHS structures such that the buildings are ultimately put to use in a way that will benefit the community and assure that it regains and maintains a place of dignity in the community; and

It is recognized and appreciated that the Historic Bath Foundation supports one such adaptive reuse of a portion of the structure in the form of a future museum or space for historic exhibits and is prepared to offer funds and other efforts in support of that objective.

**We, the Board of Directors of BHSP, therefore agree that:**

Historic Bath Foundation shall disperse \$50,000 to BHSP in furtherance of that objective, and that;

For a period of 6 years HBF shall have the right to take possession of the North-West Wing (or Office Wing) of the Bath High School for use as a museum, for use as an exhibit space of historic artifacts, or in an equivalent public use as approved by BHSP.

During the period in which the Office Wing is reserved, HBF may choose to make additional payments of \$10,000 per year to extend the agreement for an additional year with each payment and to do so a maximum of 4 times in total.

BHF and BHSP further agree that should BHF fail to exercise its option during the first three years of the agreement and the Committee of 100 or another acceptable entity provide sufficient funds for renovation of the North Building space for the purpose and in the manner agreed upon in this document a buyout clause between BHF AND BHSP shall exist, allowing BHSP for a price of \$60,000 paid to BHF to void the agreement. Otherwise the agreement shall stand as outlined above.

HBF and BHSP shall regard all payments as donor restricted funds limited to use for building repair, building improvement, and building purchase but not required to be immediately applied to payment to reduce the debt owed to the Town of Bath and not required to be repaid to HBF.

BHSP shall remain in full control and possession of the wing and use it for any purpose prior to receipt of written notification from HBF of their desire to take control of the wing .Upon that notification, BHSP shall have a minimum of 90 days or longer if specified by BHF, to ensure that all uses are discontinued in a manner and timeframe that will not impair agreements and commitments by BHSP or HBF.

Now be it resolved that the BHSP Board of Directors adopt the terms of this agreement this 14<sup>th</sup> day of September 2010.

