

## **Vestry Meeting – October 18, 2016**

### **5:00 PM, Presentation Room, Christ Church Episcopal School**

**Attending:** Harrison McLeod (Rector), Sam Erwin (Sr. Warden), Bill Hardaway (Jr. Warden), Bill Kehl (Chancellor), Nelson Arrington, Dena Benedict, Tom Croft, Chris Klasing (Treasurer), Wayne McDonald, Ben Norwood, Louise Oxner, Chuck Reichert, Dan Seaman (Assistant Treasurer), Beth Smith, Lizzy Sterling, Betty Teague, Brent Williams, Rose Cuddy (Recorder)

**Special Guests:** David Jackson, Leonard Kupersmith, Shane Taylor, Jackson Hughes, Price Cameron

**Absent:** Bryant Nixon

The meeting opened at 5:00 PM with a service in the Chapel led by The Rev. David Jackson. Following the service, the meeting reconvened in the Presentation Room in the Upper School at 5:27 PM. CCES generously provided a gift for each Vestry member and refreshments for the group.

### **Special Reports**

#### **Christ Church Episcopal School**

Leonard Kupersmith (Headmaster), David Jackson (Chaplain) and Shane Taylor (Chair of the Board of Trustees) reported on the current status of the school.

David Jackson reviewed the spiritual state of the school. He reported on recent personnel changes, including the retirement of Joe Britt, middle school chaplain for 30 years, and the hiring of Betsy Burton for this position. He reported on the ways that two special groups charged by the school examined what it means to be a college preparatory school in the Episcopal tradition. He noted the salient points found by the group regarding the Episcopal tradition. The latest report of the student body is 91% Christian with the two largest denominations represented being Episcopal (22%) and Presbyterian (20%). Other faiths represented within the student body are Jewish, Muslim, Sikh, Hindu and “declined to answer.” He spoke to the challenges and benefits of ministering within the Episcopal tradition to a diverse student body.

Shane Taylor said that all 19 trustees sent their welcome to the Christ Church Vestry and he especially thanked Harrison and Betty Teague for their roles on the board. He spoke to the development of the five-year strategic plan, which has two pillars: 1) Episcopal Tradition and 2) College Preparatory. This plan is expected to be released in March 2017. Shane also reported on an ad hoc Cultural Committee, which is working through a three-year initiative.

Leonard said that he was embarking on his eleventh year as headmaster. He reported current enrollment numbers as 1094. He reflected on the school’s history, alumni, recognition of faith and character as part of what makes CCES a great school. He followed up on previous references to the strategic plan as a road map for the coming years. The school’s annual budget is \$20.5 million. There has been no indebtedness for six year. Lower school class size has been reduced intentionally to the upper teens from the low twenties. He praised James Greco, the new Dean of Students, and numerous recent hires. Pete Sanders, Upper School Director, has been named as the head of a school in Memphis. This necessitates a search - communication will be forthcoming regarding filling this position. He praised the work of the Board of Trustees. The by-laws specify a

majority of practicing Episcopalians shall be on the board of trustees. He reported on the results of an employee satisfaction survey, which reaped overwhelmingly positive responses.

The CCES guests departed after their presentation.

### **Harper Construction Contract**

Jackson Hughes opened by saying that the final permit set of plans were delivered September 27, and final pricing on the Restoration of the Church was received yesterday (October 17). The final plans have been turned over to the city for permitting. The price is a saving of more than \$250,000. GMP price is listed at \$5,560,269 (check final)

The audio/visual system and organ removal/replacement of \$650,000 was removed from the contract since this has been hired out through other contractors. This number has been included in the total cost for the project, but not in the scope of Harper's work. A \$590,000 roof drain system allowance has been allocated.

May 8, 2017, is the target completion date. Harper's completion date *does not* mean that the actual finish work and moving back of furniture and worship items would be complete by that date. Harrison said due to possible construction delays and finish work delays, he would hesitate to schedule events in the church through the summer of 2017. The Harper construction scope completion date will be announced to the church, with the appropriate explanation, after the contract is signed.

Open Items for Restoration:Pews/Chairs in the choir area, stained glass window restoration, the question of three or five stained glass windows in the new chapel.

No funds are allocated for landscaping under the Harper contract.

Jackson said the contract, with the Vestry's approval, would be executed by the committee as early as Friday. There will be a few changes, mainly related to codes, that are anticipated to come out of the city permitting process. Jackson recommends waiting until the permitting is completed to include any changes in the final contract rather than sign a contract and immediately have to issue a change order.

Brent asked if the completion date involved re-installation of the organ. This was stated as not being on the scope of the Harper contract.

Harrison noted that a meeting is forthcoming with David Sickinger regarding several design details and open items.

John Reynolds, attorney for Fluor Daniel, has been asked to review the contract before signing. With guidance from Harrison and the Wardens, the Restoration committee would be authorized to execute the contract upon finalization.

Beth Smith asked how would we authorize a potentially varying amount? Jackson responded that the contingency fund within the pricing is \$800,000.

Nelson made the motion to authorize Jackson Hughes and the Wardens to execute the contract on behalf of the church up to the amount of \$5,560,269.00 after review by John Reynolds. Betty Teague seconded the motion. All voted in favor. None were opposed. A physical copy of the permit pricing is included in the minutes for this meeting.

## **Open Items**

Stained glass windows, audio/visual system, landscaping and organ work were not included in the Harper Contract. Christ Church has chosen to hire the contractors for these sensitive projects. These contractors will work in concert with Harper Construction.

Stained Glass Windows: Tom Croft addressed this restoration project. Tom Mosely and Jack McKay have been involved with the windows for four or five years at Harrison's request. They initially were engaged to review the condition of the stained glass windows in the Markley Chapel and have conducted several interviews with restoration and glass companies.

Three companies have been recommended and have provided preliminary proposals: Statesville Stained Glass of North Carolina, Femenella of New Jersey (recommended by Zack Rick) and Shenandoah of Virginia (recommended by Scott Garvin).

Proposals are only for the church. A separate proposal will be provided for the Chapel. Femenella's proposal was \$400,000; Statesville's was \$445,000; Shenandoah was \$138,000. These proposals from 2015 could change, especially since Shenandoah's was dramatically different. It is not known if the full scope of the work was explained to Shenandoah. Even assuming a contract was signed soon, completion dates will depend on the scope of their work and availability of the chosen company, and may or may not coincide with the completion date of the restoration of the Church building.

Where will the money come from? Harrison referred to several of the ideas about how the project will be funded. In a project this large, it is important to include restoring the windows properly in order for them to be well preserved for the next generation. Funding sources mentioned are 1) from the \$800,000 contingency within the budget for the project 2) from the Hatch Fund, which also has about \$800,000, for one-time repairs 3) from the approximate one million of unallocated funds raised in the capital campaign.

Nelson Arrington expressed his thoughts that the first and best option would be to take this expense from the capital campaign. During the following discussion, using this source of funding appeared to be the consensus of the Vestry. The question of why the Wilet-Hauser company of Pennsylvania was not included in the recommended estimates came up. Harrison will ask Tom and Jack to revisit Wilet-Hauser for a proposal.

A contract of this magnitude will need Vestry approval.

St. Luke's Chapel Windows: The three vs. five windows for the new St. Luke's Chapel in the newly restored Church is a question about how many windows a wall this wide would aesthetically need. The architect will provide a rendering. The committee challenged with addressing numerous aesthetic questions will be scheduling a lengthy meeting soon to make many design decisions and move forward.

Markley Chapel Windows: The Chapel windows are in far worse condition than the Church windows. The annual income from the Halter Fund could be a potential source to restore a couple of windows in the Chapel each year.

## **Rector's Report**

Harrison reported that the Annual Giving campaign is going well. Interviews for potential hires for open positions are ongoing. The upcoming Department of Labor overtime regulations will necessitate additional volunteer work by parishioners, such as a volunteer photographer for a weekend event rather than using our Communications staff.

## **Senior Warden's Report**

Sam Erwin needed to leave the meeting earlier in order to attend a function at his workplace.

## **Junior Warden's Report**

Bill reported on the Staff Appreciation Lunch that will be held November 1 at 11:45 AM. Bill invited the Vestry to attend and to sign up for duties that will be needed to make the event happen and to truly give staff an opportunity to enjoy the luncheon in their honor. Service awards will be handed out at the luncheon as well.

Bill also asked the Vestry to write thank you notes to Christ Church staff in mid-November. He will send more information within a couple of weeks. These notes of appreciation are typically mailed the week of Thanksgiving each year and have been a source of very positive feedback.

The Human Resources Committee completed 80 interviews with CCEP and CCEC staff in mid-September and will meet this week to discuss the results. He will provide a report to the Vestry next month.

## **Treasurer's Report**

Chris noted that progress has been made in replacing Jeremy Wilkerson in the Controller position. This may involve a change in structure in the Business Office for the best use of resources.

In the meeting materials sent out last week was information about how Chris and Dan are working to consolidate banking accounts and simplify the Business Office. The operating reserve policy requires maintaining a checking account in a separate bank, which complicates the process. The down side of this is the time it takes to administer this account and the related expense to the business office. Chris asked for the Vestry's approval to change this and consolidate accounts in one bank.

Wayne McDonald made the motion to change this requirement and to consolidate accounts into one bank, with the operating reserve being accounted for separately from other accounts within the same bank. A second was made by Ben Norwood. All approved, none were opposed.

## **Departmental Reports**

Annual Giving: Nelson gave an update on the Annual Giving pledge drive. The amount pledged is more than \$1.25 million, so we are more than halfway to the dollar total and have received to date 337 pledges toward the goal of 800, 45 new pledges and 147 increased pledges. Thursday, October 27, is the Vestry and Annual Giving Cabinet Call Night, when they will make phone calls from the church offices to those who haven't yet pledged. Look for an email from Lauren Sigmon, Resource Development Director, with additional details regarding this event.

Finance: Ben Norwood reported that 2017 Budget Meetings begin Monday. Cotton Clarke, chair of the Budget Committee, sent an email to the Vestry with the schedule of meetings. Vestry members are welcome to come to all presentations. The departmental presentation schedule will be sent when finalized.

Vestry Elections: Ben Ebel and Mauldin Avinger did not accept the nomination to Vestry. Ashley Reynolds declined the Delegate nomination. Only one candidate, Dena Benedict, accepted for Junior Warden. Elections mailing and online voting email information will be sent November 3. Voting begins November 7 and concludes with the Annual Meeting November 20.

Broadus House Update: Christ Church has filed an appeal, drawn up by Cecil Nelson, to the circuit court. The other options are to repair and maintain the house, or to find an investor who would be willing to restore the house in return for the tax credits. Harrison said that it would be likely at some point that he will return to the Vestry to request a motion not to litigate. Minimal repairs will be made and we will keep waiting for a decision. Chuck asked what extent of work would need to be done to get a CO (Certificate of Occupancy). The answer was that it would be quite extensive.

### **September Minutes**

The September Vestry Meeting minutes were distributed by email prior to the meeting.

A motion to accept the minutes was made by Nelson Arrington and seconded by Tom Croft. All voted in favor, none were opposed.

### **Adjournment**

The meeting was adjourned at 7:13 PM after a prayer by The Rev. Dr. Harrison McLeod.

Respectfully submitted by Rose Cuddy, Recorder