



Board of School Directors Committee Meetings Minutes Wednesday, March 9, 2022

Generated by Renai Cardillo on Thursday, March 10, 2022

Members present: Nicholas Braccio, William Brong, Janet Flisak, Ken Keith, Andrew Landis, Thomas Kwiatkowski, Stephen Nelson, Donna Scheuren

Members absent: Courtney Barbieri

Others present: Frank Ball (virtually), Jamie Doyle (virtually), Henry Franz, Kevin Godshall, Christopher Hey, Katie Kennedy-Reilly, Damion Spahr, Michael Taylor, and Megan Zweiback

1. Operations Committee

1.1 Guaranteed Energy Savings Agreement (GESA)

Operations Committee Chairman, Mr. Brong called the meeting to order at 6:33 PM

Assistant Superintendent, Dr. Hey welcomed everyone to the in-person, public committee meeting.

Director Business Affairs, Mr. Taylor introduced Damion Spahr of SiteLogIQ, the construction manager for the upcoming project at Franconia Elementary School. Mr. Spahr noted that their firm and administration are pleased with the bids received in response to the public bids that were due on February 22, 2022.

Mr. Taylor stated that the Administration is recommending the approval of a Guaranteed Energy Savings Agreement (GESA) Amendment with SiteLogIQ, Inc. for the renovations at Franconia Elementary School in the total amount not to exceed \$14,700,000, plus Architect fees, Abatement and Builder's Insurance.

Mr. Spahr reviewed the construction schedule, indicating that there has been some inflation in a busy bidding market. However Mr. Spahr noted that SiteLogIQ has continued to work with GKO Architects in an effort to achieve the goals of the project and remain within the budget. He noted that when discussion first started in October, the project was estimated at \$15M and has since be refined to just under \$14.7M.

Mr. Landis questioned the availability of materials and Mr. Spahr noted that if product limitations exist, there are opportunities to reschedule some components of the work, according to product availability.

Mrs. Scheuren expressed concern that a no escalation clause be included in the bid documents. Mr. Spahr expressed confidence in the final agreements that will be negotiated.

Mr. Spahr reviewed also reviewed the slide giving an overview of the proposed Indian Valley Middle School project. Mr. Spahr noted that the drawings and specifications are currently underway and an anticipated bid spec is late March with a presentation to the Board in May.

The Committee agreed to move forward with GESA Amendment to SiteLogIQ to its March Board Action meeting.

Mr. Brong adjourned the Operations Committee Meeting at 6:55 P.M.

2. Finance Committee

2.1 Capital Project Financing Discussion

Finance Committee Chairperson, Mrs. Scheuren called the Finance Committee meeting to order at 7:04 P.M.

Mr. Taylor introduced Ms. Jamie Doyle of PFM Asset Management, in attendance virtually, to review and discuss the financing information for capital projects for Summer 2022 and beyond, primarily the Franconia Elementary and Indian Valley Middle School renovations.

Ms. Doyle reviewed a handout that was distributed by Mr. Taylor to the committee. Ms. Doyle explained that the current recommendation is to proceed with borrowing up to \$35M for the above mentioned projects. She noted that the timing for borrowing is advantageous as interest rates remain low. Ms. Doyle also noted that when volatility is occurring in a global environment, such as in the current circumstance of eastern Europe, investors tend to look for safe places to invest monies; therefore making school and municipal bonds attractive for underwriting.

Ms. Doyle reviewed the existing debt portfolio and noted that the district will have 36 months to use the funds from the time of borrowing. A sample resolution was viewed and a proposed timeline showed settlement of funds on approximately June 8.

Mrs. Scheuren asked about the borrowing timeline and how it relates to the success of the project completion. Mr. Taylor responded that we are comfortable with the amount being borrowed and its impact to the timeline of the project. Mr. Nelson noted his appreciation of the conservative borrowing process.

Ms. Doyle also stated that the parameters resolution does have flexibility on its date and a change would not incur a penalty.

Mrs. Flisak and Mr. Braccio thanked Ms. Doyle for the presentation and Mr. Keith acknowledged the structure of the borrowing plan.

The Committee agreed to move forward for Board action on March 24th.

2.2 2022-23 Budget Update

Mr. Taylor reviewed a presentation for the 2022-2023 Budget Update noting adjustments to both the revenues side of the budget and the expenditure side. He noted an increase in real estate tax assessments, a revision to revenue projections and a change to staffing needs.

Mr. Taylor indicated that all department and individual school budget meetings have been completed and now the refinement begins, for all of those budgets. Mr. Taylor highlighted the Pupil Services Budget and the Special Education Budget noting the impact on each as budget drivers within a service organization.

Mr. Taylor also reviewed Future Considerations which will be reviewed as the budget process continues; those areas include staff retirements, collective bargaining agreements, department budget adjustments, healthcare costs, and continued review of local revenue. Mr. Taylor also indicated that the school district is awaiting the final numbers for the 2022-2023 state subsidy allocations as work on the state budget continues in Harrisburg.

Mr. Nelson asked about the current enrollment of special education students and also a trend report of health care costs. Mr. Brong expressed concerns about transportation/fuel costs for the upcoming school year and Mr. Kwiatkowski questioned whether a broad based inflationary increase was a part of the budget. Mr. Taylor indicated that a built-in cost for inflation is not built into the budget process, although each individual department will need to evaluate their spending.

Mr. Kwiatkowski asked about the renewal of the Chartwell's Food Service contract. A brief discussion occurred about the recent improvements in the food service department with both menu options and food delivery. Mr. Kwiatkowski requested a report on the performance of Chartwell's within their contract.

Mrs. Scheuren adjourned the Finance Committee Meeting at 8:00 P.M.

3. Technology Committee

3.1 E-Rate Discussion

Technology Committee Chairperson, Mr. Braccio called the Technology Committee Meeting to order at 8:10 P.M.

Director of Curriculum, Instruction, Assessment & Technology, Dr. Kennedy-Reilly noted that the E-rate Category 1 - which is internet service, is not up for renewal, as it was approved last year. She noted that the administration is seeking approval of E-rate Category 2 - which is the switch management license. Dr. Kennedy-Reilly stated that this project was bid in late January and the winning vendor is Dalton Datacom.

Dr. Kennedy-Reilly also stated that the deadline to qualify for the E-rate reimbursement is March 22nd. Therefore should the Board decide to accept the E-Rate proposal, they would ratify it at the March 24th meeting.

Mr. Braccio commented on his monthly meetings with Dr. Kennedy-Reilly and their visits to the schools to see technology in action, are worthy.

The Committee agreed to move forward for ratification on March 24th.

Mr. Braccio adjourned the meeting at 8:15 P.M.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Michael Taylor".

Michael Taylor, C.P.A.
Board Secretary / Director of Business Affairs