Lehighton Area School District

Lehighton, Pennsylvania

Building Committee Workshop Meeting
Wednesday, July 15, 2015
7:00 PM
Administration Board Room

Minutes

Pledge of Allegiance

Call to Order - A workshop meeting of the Lehighton Area School Board was held in the Administration Building, Conference Room A, on the above date and called to order at 7:18 p.m.

Roll Call

	Present	Absent
Mr. Rocky Ahner, Member	X	☐
Mr. William J. Hill, Jr., Member (via phone)	X	☐
Mr. Stephen L. Holland, Member	X	☐
Mrs. Lori Nothstein, Member	X	☐
Mr. Hal Resh, Member	X	☐
Mr. Larry Stern, Vice-President	X	☐
Mr. Wayne Wentz, Member	X	☐
Mr. Andrew Yenser, Treasurer	☐	X
Mrs. Gloria Bowman, President	X	☐
Mr. Brian Feick, Business Manager	X	☐
Mr. Jonathan Cleaver, Superintendent	X	☐
Attorney William Schwab, Solicitor (left at 8:00 p.m.)	X	☐
Mrs. Melissa Wagner, Recording Secretary	X	☐

**Notice of Executive Session for personnel matters.

Presentations:

Quandel – Karl Kauffman

- *Heads up as to what to expect with bids coming in for opening on July 29, 2015. Several contractors have had walkthroughs. Below are the anticipated bidders (handout):*
  - *8 General Contractors*
  - *10 Plumbing Contractors*
  - *7 Electrical Contractors*
- *District should think about looking at alternates and prioritize what alternates are the most important to the district by the next workshop session on August 3, 2015. Make a list of 1st tier alternates, 2nd tier alternates, etc.*

Gloria Bowman - If we do not award now, can we award later?
Quandel –Yyou can reject a bid and ask them to hold for later, however it cannot change who is the low bidder. The district would be open to a claim/challenge from another bidder.

Trane – John Linn – Status on Energy Audits

- *Installation costs, that Trane is getting back, is $500,000-600,000 over the estimated budget. Multiple contractors are providing numbers and the spread between contractors is tight. Prices are high – main factors are phasing (10 different phases), complexity of the project. A lot of added labor and costs. Examples: MS main hallway – main I-beams that will need to have 6" pipe threaded into them to get pipes down the hall. HS second floor – hanging heat pumps in the ceilings – all-thread 20-25 feet long to get to the beams in the building (expensive to do).*
- *Trane asked subcontractors and Gatter & Diehl for some solutions to cut the costs (insulation, etc.). May be able to cut $400,000 out of cost, but still does not get us where we need to be.*
- *Energy Savings – LASD cost of electric is 15.5 cents per KWH from the borough, natural gas is 72.6 cents per Therm (100,000 BTU's). Comparing the two-- $.726 for gas and $4.54 for electricity. Electricity is 6.25% more expensive than natural gas.*
  - *Projected energy savings for the HS is about $45,000/year (HVAC only). Because you must pay for electric from the borough, the district pays 55% more than the open market cost of $.09 to $.10 per KWH.*
  - *MS (no air conditioning currently) – baseline figured on if there was air conditioning now. $158,000 for energy currently at MS. Baseline projection is $250,000 with $25,000 energy savings would make it $225,000 for energy yearly. Water-source heat pumps and energy usage is right in line where they should be. Because of the cost of electricity, you are shifting the load to the electrical side which is the most expensive.*
  - *If we would go with a 4-pipe or chiller/boiler system energy projection costs would go from $225,000 to $150-160,000.*

Rocky Ahner - 3 years ago, one of the issues with the elementary center project was the cost of the propane at the outlying schools and a savings with natural gas in town. How did the MS get to be an electric system?
Trane – Fans and compressors in the heat pumps need to run in the winter to provide heat to the classrooms. A more conventional system would use the fans and a boiler.
Rocky Ahner –The traditional way sounds like the way to go,
Trane – A more traditional alternative would be a better solution.
Rocky Ahner – Do you have a bid for the heat pumps vs. the regular system?
Trane – There will be some effect on the rest of the building. The conventional unit would sit in the classroom compared to the heat pump in the ceiling.

Gloria Bowman – Are you willing to share the hard numbers with us regarding the bids?
Trane – Yes, don't have them with us but will share.
Gloria Bowman – In May 2014 you gave us a projection of a low bid/high bid. You are coming back with higher numbers.
Trane – That was based on a totally different system. That was a unit vent replacement. Adding a 4-pipe system and replacing the units in the classroom.
Rocky Ahner - How did we get to a heat-source pump system? Originally this was not our plan.
Trane – We were involved with the MS only.
Gloria Bowman - $59,000 savings originally, now $25,000.
Trane – The difference is in the systems.
Jonathan Cleaver – We did talk about the systems. Talked about geothermal and other systems. Geothermal involved storm water management.
Trane – We would not be looking at a rooftop system.
Jonathan Cleaver] – HVAC spreadsheet from other schools. Geothermal at the highest was $33.60/sq. ft. and $26.13/sq. ft. traditional water-source heat pump.
Trane – Square footage dollars would be higher--$28/sq. ft. just for installation. Did not finish a calculation on the final square footage cost. Those numbers are a bare-bones walkaway price from a contractor which is not what we are doing here.
Jonathan Cleaver –New construction cost is percentage less when it comes to HVAC because of the complication of the install.
Trane – Yes. Brand new construction you don't have any demolition. Square footage can be projected. The HS building construction is an entirely different animal. Something I have never seen. The support/structure is odd. MS is complex with going from no air conditioning to air conditioning.
Gloria Bowman – Any way we can have hard numbers for our next meeting on July 27?
William Hill – HVAC design that you have to work with is not working the way you want it? We know we are on the borough electric and it's a killer. Our quest is to drive down energy costs. Make a motion to direct Trane to put together a design and build bid package and present hard money bids 30 days from July 16th.
Jonathan Cleaver – Any adjustments could affect electric, plumbing and g.c. specifications too.
Trane –Those things need to be reviewed. This is an intertwined project, not Trane standing alone. These questions need to be asked.
Gloria Bowman – I would prefer to see hard number from Trane by July 27th.
William Hill – They can't do it.
Gloria Bowman – We've been working with Trane for over a year.
William Hill – We've been working with EI over 6 years and over a million dollars. What's your point?
Gloria Bowman - We are relying on information from workshop meetings with information that was supposed to be coming back with hard numbers by certain dates.
Atty. Schwab – If we don't have the HVAC set, how does that impact opening bids? Are we looking at change orders?
Quandel – Does not affect us from opening bids. We would not award any contracts until we have the HVAC.
Atty. Schwab – If we take the bids, Trane comes in with modifications. That would be a change order. We would need to do a change order to the bids.
Atty. Schwab – My recommendation is to put off the opening of the bids. How do we open them up and then reject all and re-bid?
Jonathan Cleaver – We will open up Pandora's box for change orders.
Quandel – If we change the HVAC system. We would need change orders that affect the other contractors.
Gloria Bowman – We have a motion on the floor.
Rocky Ahner –Trane is the experts we brought in for the best system. What are the best systems for the MS & HS?

Trane – First started the project in January 2014. We were talking strictly about the MS. The approach was changed. The architect and engineer in conjunction with design discussions with the district came up with the water-source heat pump system. Not saying that it is a bad design. The system is a fine design. But we are getting high numbers back. Here to provide the facts. Looking at energy costs and asking a lot of "why" questions.
Jonathan Cleaver – Lowest square footage cost fell under water-source heat pumps. Install costs are high.
Rocky Ahner – We need to look at what is best for each building.
Trane – Estimate is not falling where we want it. It's just not making sense now. Gas prices have also dropped at this time. Boiler/chiller type system may be the way to go. We don't have it all defined.
Jonathan Cleaver – Would you be willing to put in writing that whatever you design will not affect our LEED Gold status?
Trane – I think a properly designed system would not affect it. Energy performance is requesting 9 points. To answer your question, I think we would.
Gloria Bowman – Would this change the bids?
Trane - Yes it will impact some of the things.
Gloria Bowman - I think 4 weeks is too long. I don't want these projects on hold. Can we get the numbers for the August 3rd meeting?
William Hill – Numbers are for the MS only?
Trane – The same thing applies to the HS. Installation costs were for both.
Jonathan Cleaver – If we make addendums to the HVAC system, will it make contractors nervous to bid?
Quandel – If the district is looking to completely change the HVAC system, my recommendation would be to advise all bidders that the project is pulled and a brand new packet put out. Reissue a clean set out to contractors.
Rocky Ahner – What if we don't get the variances?
Jonathan Cleaver - We have alternatives built in.
Trane – We've been waiting since December to get things accomplished. We are bringing facts to you. You can choose not to change things. We can give you a number for the HVAC on the 29th as it stands. That number is going to "blow up" your projects. We cannot have hard numbers by the 3rd for the alternative. We are talking about a redesign.
Larry Stern – Number for HVAC system for the 2 buildings on the 29th. We can evaluate and if it is an astronomical amount and we need to change to an alternative what do we need to do?
Jonathan Cleaver – We would need to pay for a new design.
Quandel – If you accept the bids and then evaluate Trane's proposal, you would have two options. Accept the bids, get Trane's bids and then issue a change order. The design may eliminate some work, but you will not get the monies back from the plumber/electrical because of their bid. Or, we can rebid it.
Jonathan Cleaver - We would need another code review with a new design.
Gloria Bowman – Motion on the floor for 30 days. Can Trane meet the 30 day window?
Trane – We can get a budget together but we cannot give a fee for a redesign.
Jonathan Cleaver – For you to come back in 30 days with an alternative design, what is the cost to the district?
Trane – Cannot give a number. We are not going to have a fee until you have a redesign. We can have an alternative in 30 days. Our plan is to show an alternative system, the proposed cost and the savings. If yes, we can then design.
Larry Stern – Option #1 – run with it the way it is, get bids, open up and see cost. Option #2 – Alternative due 2 weeks later. If number lowers our rates, we would not award bids, and rebid everything out.
Brian Feick – Or, if Quandel tells us we can award but this is the extra cost.
Rocky Ahner – Not all change orders are a cost.
Larry Stern – If we don't rebid the contractors will stick with the numbers they have give us.
Quandel – You may be able to pick up credits on tangible things, not labor.
Jonathan Cleaver – One of the options is to decide not to go with the ESCO. We could bid the HVAC system because it is not part of the PlanCon process.

William Hill – Trane came back with numbers that didn't work. We go to a regular HVAC bid package and get away from the ESCO we lose the savings. Let's give them a little more time to put another design together.
Jonathan Cleaver – Even if we decide to bid the HVAC as a board it will not affect PlanCon.
Quandel – You are hearing the difficulty Trane is having. What if the plumber has the same issue? If you get the bids you will know where your scope of work is. Or, they may come in fantastic.
Trane – The intent is on the 29th we will provide a price of what we have now. Then, 30 days from this date we will provide a hard number for an alternative. We will not have drawings, specifications, etc.
Gloria Bowman – We may need to move the workshop meeting to August 17th.
Jonathan Cleaver – We will do whatever we need to make it work out as the board would like it.
Trane – You don't want to keep asking contractors for numbers.
Brian Feick – We have 60 days to accept bids.
Larry Stern – Easiest is to run with what we have and make a decision on the 3rd.
Gloria Bowman – Any legal implications?
Jonathan Cleaver – That's one concern I have.
Quandel – You can open bids, you don't have to award them.
Jonathan Cleaver – If we do a redesign and it doesn't affect the plumber, we need to accept that low bid?
Quandel – You can rebid everything.
Rocky Ahner – If comfortable with plumber can we accept?
Quandel - If you are comfortable with all bids, you can accept. Do a change order with the Trane alternate or rebid all.
Gloria Bowman – I was hoping for more savings.
Jonathan Cleaver – So, on the 29th you will supply us a number with the current design. How will the breakdown look?
Trane – We have 4 sheet metal numbers and 2 piping numbers. We will give the install, equipment, and the rest will be listed as a total cost.

Public Comment (limited to three (3) minutes as per board policy). - None

VI. Adjournment

Next regular scheduled meeting is Monday, July 27, 2015, at 7:00 p.m. at the Administration Building.

A. MOTION by Mr. Ahner, SECONDED by Mr. Stern to adjourn the meeting at 9:03 p.m.

VOTE: YES - 8 NO - _____ ABSENT - 1 ABSTENTIONS - _____

Respectfully submitted

Brian Feick
Board Secretary