



Finance & Operations Committee

June 18, 2026

MINUTES

COMMITTEE OF THE WHOLE

Board members Present: Kehoe, Vos, Westra, Ahmed **Meeting called to order:** Kehoe 5:01 p.m.

District staff Present: Merritt, Minnick, Malbon, Lents, Jory **SVU Student Rep:** n/a

Citizen Representatives: Roderique, Johnson, DeMers

Guest Presenters: Jennifer St. Louis/ABM; Brian Gesaman/McCarthy & Smith

Public Comments – none

Approval of Prior Meeting Minutes – June 8, 2026– Approved.

Key Performance Indicator Reports

Transportation KPIs – Durham

Ms. Minnick informed the committee that Durham representatives were unable to attend due to the visitation of longtime transportation employee Siobhan Riffle, who recently passed away after more than 20 years of service to P-CCS Transportation and Durham. The committee was asked to review the KPI report and direct any questions through administration.

Member Kehoe noted concern regarding the number of preventable accidents reported, although he acknowledged the numbers had improved. Ms. Minnick indicated that Durham's report includes a detailed action plan to address accident reduction and that administration would follow up with Durham regarding the committee's concerns.

Custodial KPI Reports - ABM

Jennifer St. Louis presented the third-quarter custodial KPI report and answered questions regarding the data. With her in attendance were new Regional Director Melissa Mascarello, who has taken over for retiring Todd Fleming, and Managers Kenyati White, Matthew McDonnell, and Jamia Torrence. Highlights included support of newly completed bond construction projects, continued testing of a terrazzo floor refinishing program, employee recognition, and efforts to strengthen communication with building principals through surveys and meetings.

Member Kehoe expressed concern regarding declining inspection scores and requested future reports include comparisons of the current quarter, the same quarter from the prior year, and the previous quarter to better evaluate performance trends. Additional discussion took place regarding custodial work order data, missed cleaning requests, and communication with building administrators.

Ms. St. Louis reviewed ABM's summer goals, including summer cleaning projects, floor refinishing, staff training, and continued evaluation of the terrazzo maintenance program. Member Kehoe also requested that future KPI presentations include information related to plant engineering, grounds, and maintenance operations to provide a broader view of facilities services.

Salem Fire Suppression System – Discussion – Brian Gesaman

Ms. Minnick introduced Brian Gesaman of McCarthy & Smith to provide an overview of a recently identified fire suppression system issue at Salem High School. During ongoing construction work, deficiencies were discovered within the building's fire suppression pump and valve system. Mr. Gesaman explained that several components are no longer functioning properly, creating challenges for maintenance, testing, and operation of the system. Due to the life safety nature of the issue, replacement of the fire pump and related valve systems is being recommended.

Mr. Gesaman explained that pursuing the traditional bid process would not allow sufficient time to complete the work during summer break. Administration is therefore recommending a design-build approach with a contractor familiar with the system, at an estimated cost of approximately \$200,000. Board policy permits emergency procurement in situations involving life safety concerns, with the purchase to be reported to the Board at its next regular meeting.

Committee members discussed which portions of Salem High School are protected by fire suppression systems, the impact on current and future construction projects, and the testing and maintenance procedures for fire suppression systems throughout the district. Mr. Johnson requested information regarding testing schedules, maintenance practices, and the status of fire suppression systems at other district facilities. Superintendent Merritt indicated that administration would review current practices and return with additional information for the Board.

Purchase of Electronic Building signs

Mr. Lents recommended the purchase of two electronic monument signs, for Farrand and Gallimore Elementary Schools, at a cost of \$47,872 through the Sourcewell cooperative purchasing contract. The electronic signs are consistent with those previously installed at other district schools as part of bond-funded building improvements. Committee members discussed the functionality of the signs, including the remote software used to update messaging and the warranty coverage provided. Mr. Lents noted that the electronic sign components are included in this purchase, while the masonry, site work, and monument sign construction are already included within the respective building renovation projects. The committee supported moving the item forward for Board consideration on June 23, 2026.

Educational Support Center (Pilot Drive) Rooftop HVAC Unit Replacements-

Mr. Lents recommended the replacement of five rooftop HVAC units serving the Educational Support Center (Pilot Drive) at a cost of \$127,950 through the E&I cooperative purchasing contract. The units currently serve the lobby, reception and security areas, Student Services, portions of the conference center, warehouse storage space, and connecting hallways. Mr. Lents reported that all five units have failed and are no longer operational.

Committee members discussed the age of the units, expected delivery timelines, and the impact on building occupants. Mr. Lents explained that temporary mitigation measures, including fans and relocation of staff as needed, will remain in place until the new equipment can be installed. He also noted that the existing units are more than 20 years old and that additional rooftop units at the facility will likely require phased replacement in future years as part of the district's ongoing facilities maintenance program.

Member Kehoe supported advancing the item to the Board as a first and final reading to help expedite the replacement process.

Five-Year Renewal of Contract with Durham Student Services for Student Transportation-

Ms. Minnick presented the proposed five-year renewal of the district's transportation services agreement with Durham Student Services. She noted that the committee had previously reviewed the proposal and discussed transportation costs, driver wages, and contract terms. Ms. Minnick shared transportation driver wage comparisons from neighboring districts and reviewed the proposed annual contract increases, emphasizing the importance of remaining competitive in order to recruit and retain drivers.

Committee members discussed contract escalation rates, labor costs, and the challenges associated with alternative transportation providers or bringing transportation services in-house. Members also noted the district's improved transportation performance and the importance of maintaining reliable service for students.

Member Kehoe expressed support for moving the contract forward for Board consideration, noting the upcoming contract expiration date and the need to ensure uninterrupted transportation services.

Sinking Fund Referendum –

Ms. Minnick provided an overview of the proposed sinking fund referendum, including allowable uses, estimated annual revenue, taxpayer impact, and comparisons to millage rates levied by neighboring districts. She noted that the Board had previously expressed support for pursuing a sinking fund and that the purpose of the discussion was to determine the proposed millage rate to place before voters.

Mr. Lents shared information regarding approximately \$33.9 million in facility improvement projects, deferred maintenance needs, and bond-related items that have been postponed, removed from project scopes, or identified as future needs due to funding limitations. Discussion focused on the potential use of sinking fund revenue to address facility repairs, infrastructure needs, and capital improvements while reducing pressure on the district's General Fund.

Committee members discussed voter support, economic considerations, comparisons to neighboring districts, and the importance of educating the community regarding the purpose and benefits of a sinking fund. Following discussion, the committee reached consensus to recommend a **1.5 mill sinking fund levy for a period of 10 years**, with a first-read resolution to be presented to the Board of Education on June 23, 2026, and final action anticipated in July.

Financial Reports as of May 31, 2026 –

Ms. Minnick and Ms. Malbon presented the monthly financial reports through May 31, 2026, and reviewed year-to-date revenues, expenditures, and fund balance projections. They reported that financial results remain consistent with the district's Final Amended Budget and previously reported projections.

Discussion focused on expenditure variances within Added Needs, Pupil Support Services, and Transportation, which continue to reflect increased special education service and transportation costs. Committee members discussed the reimbursement process for special education and specialized transportation services and the extent to which those costs are offset through state, federal, and Wayne RESA funding sources.

Ms. Minnick explained that a portion of these expenditures will be reimbursed in future fiscal years and that projected reimbursement revenues have already been incorporated into future budget assumptions. Additional discussion took place regarding the ongoing gap between the actual cost of providing mandated special education services and the level of reimbursement received by school districts. There were no significant concerns identified at this time.

Adjourned: 7:25 p.m.