

**BETHLEHEM AREA SCHOOL DISTRICT
BOARD FACILITIES COMMITTEE
MEETING MINUTES
MONDAY, JANUARY 11, 2010**

Mrs. Michele Cann, Facilities Chairperson of the Board of School Directors, called the meeting of the Board Facilities Committee to order at 6:03 p.m. on Monday, January 11, 2010, in the Dining Room of the Education Center. Present were School Board members Judith Dexter, Michael Faccinetto, William Burkhardt, Loretta Leeson, Michele Cann, Irene Follweiler, Aurea Ortiz, and Eugene McKeon. Also present were Dr. Thomas Persing, substitute superintendent of schools; Stacy Gober, assistant superintendent for finance and administration; Scott T. Gilliland, director of facilities and operations; Arif Fazil, district engineer (D'Huy Engineering, Inc.); Dean Donaher, director of student services; Michael Byrnes, assistant supervisor of vehicle maintenance; Ann Behers, operations manager; and representatives from the press.

The following items were discussed:

COURTESY OF THE FLOOR TO VISITORS –

None.

DISCUSSION ITEMS –

Mr. Gilliland explained agenda item 2, Maintenance Vehicle/Bus Replacements. He said that the information included in the agenda packet is information that has been previously provided to the board. Mr. Gilliland said that if the district wishes to purchase buses and maintenance vehicles, they must be ordered prior to January 31, 2010, in order to avoid paying an additional \$7,000 to \$8,000 per vehicle due to new federal emission regulations on diesel engines. Every year, there is a small window of opportunity to purchase these vehicles as price lists are not available until October, and if the order is placed too late, the current model year is no longer available. Mr. Gilliland explained that with the board's approval, buses and maintenance vehicles can be ordered now and the district can specify that delivery take place after July 1, 2010. He then reviewed the list of maintenance vehicles that was requested. Vehicle number one was a duplicate of what was ordered last month; this vehicle will be used for snow removal and spreading salt. Vehicle number two is a larger dump truck that will be used to tow equipment and trailers. Vehicle number three is a work van. The district has requested four of these at this current time, but there are eight that need to be replaced. Vehicle numbers four and five are pickup trucks that will be used for snow removal and vehicle number six is a security vehicle. Mr. Gilliland said that if vehicle number six is purchased, it will replace one of the security vehicles that has high mileage and is in fair condition. Mr. Gilliland then referred to the memo regarding recommendations for school bus replacement that Mr. Himmelberger wrote. He said that a fifteen year replacement cycle is recommended for diesel powered buses. With the number of school buses that the district owns, that would mean that eight buses would need to be purchased each year. He also indicated that since buses have not been purchased the last few years, we would need to purchase ten buses per year to catch up.

Mrs. Leeson said that no school buses have been replaced in the last few budget years. She asked if there was any way to replace less than eight buses this coming year due to budget restrictions. She asked if replacement cycle for buses could be started and also if the administration and board could come to an understanding on the amount of buses to be purchased this year.

Mr. Gilliland answered that yes, a common ground could be found. He said that the district would be happy to purchase just a few; however, the district must get on a replacement cycle as soon as possible so we do not get too far behind on purchasing buses. It is growing increasingly difficult to have all the buses pass inspection to keep them on the road.

Mrs. Leeson asked where the money will come from for bus purchases.

Mr. Gilliland said that in years past, the district had a line item in the budget. He suggested possibly financing the bus purchases through bond money.

Mrs. Leeson asked that if the buses were purchased now, when the district would have to pay.

Mr. Gilliland answered that an agreement could be reached that payment would be received after July 1, 2010.

Mr. McKeon said there is a potential funding source through the 1.3 million that remains in the general operating budget. He said that another possibility is to use some of the money that was budgeted for programs that are now being federally funded. Mr. McKeon also suggested that when the Northeast Middle School project is bid, there may be excess funding available. He said that his concern is that if too many buses are taken "off-line", there may not be enough buses to complete all the routes on a daily basis. There are many charter and private schools located within the district's boundaries that we transport.

Mrs. Ortiz said that she was concerned about safety of the students. She asked how many buses were not safe.

Mr. Gilliland said that he knows that there is not a bus on the road that is not safe. If a bus does not pass inspection, it is taken off the road until it is fixed and deemed safe. If it cannot be fixed, it is permanently taken out of service. Mr. Gilliland said that the fact of the problem is that it has been quite some time since buses have been purchased and the district is out of the replacement cycle. He also said that the life expectancy of a bus is approximately fifteen years. We are pushing the buses beyond that and using them over fifteen years.

Mrs. Follweiler wanted clarification that there were two separate issues that were being discussed. This first was the replacement of maintenance vehicles, and the second was replacement cycle of buses. She asked if there was a consensus to move forward that the district believes that money will be found in next year's budget to purchase maintenance vehicles and buses.

Mr. Gilliland said that yes, her statement was correct. The district is also asking for a determination from the board so that these vehicles can be ordered soon and they arrive when we need them to.

Mrs. Follweiler asked what the delivery time was from the time of order. She also asked if there was anything special about the four maintenance vans that the district wished to purchase.

Mr. Gilliland said that they were standard work vans and the only item that was included in the request was shelving. He said that it was safer for the maintenance personnel to have these shelves in the vans to keep equipment from sliding around. It was also cheaper to order them directly from the dealer rather than making them. He said that he wanted to clarify that these vans are not just sitting on a lot at a dealership; they have to be special ordered. Mr. Gilliland said that the low mileage on some of the maintenance vehicles is misleading; some vehicles may not have high mileage, but are in poor condition.

Mrs. Follweiler asked if the cost of replacing buses was calculated appropriately when the district was considering the privatization of transportation. She asked if it was thought that the district would still realize savings even though the district knew they had to purchase buses. She said that her fear was that the district thought it would save a million dollars, but now that money will be spent on buying new buses.

Mr. Gilliland said that conceptually, one of the items considered was that the privatization offering actually amortized the new vehicles out over a period of time. He believed that if the district gets on a replacement cycle, essentially the same thing will be done.

Dr. Persing asked what the cost of a bus was.

Mr. Gilliland answered that a full size bus costs between \$75,000 and \$80,000. The mini buses cost approximately \$50,000.

Mr. Byrnes said that the concern of the district is that if buses are not purchased this year, the cost will go up \$7,000 to \$8,000 per bus because of the new emissions standards.

Dr. Persing said that if he understands correctly, if the district wishes to buy ten buses this year, we will save approximately \$80,000 as opposed to waiting until next year. He asked if we order them now, when they would be delivered.

Mr. Gilliland said that they should be delivered around July 2010, if that is what the board wishes.

Dr. Persing said that he would like to review this information with Mrs. Gober and bring back the findings to the next Regular Board Meeting to be held on January 25, 2010.

Mr. Burkhardt asked if the district was asking to purchase ten \$80,000 buses, ten \$50,000 buses, or a combination of both. He wanted to know how much money the district was asking for to buy these buses.

Mr. Gilliland said that the initial cost may be slightly less than originally thought as one of the district's biggest needs was for special needs buses, which are mini buses. If a line item of \$800,000 was incorporated in the budget, it is possible that a few full size buses may be purchased as well.

Mr. Burkhardt said that he would like to see the break down of what kind and how many buses needed to be bought this year. As the years continue and the district's financial state better, a line item could be included and then the transportation department could purchase what was necessary on a replacement cycle.

Mr. Gilliland said that he will speak with Mr. Himmelberger as to what is actually needed this year. Initially, this information was only provided as a conceptual exercise to explain the replacement cycle of buses.

Mr. Burkhardt asked if the maintenance vehicles would be purchased under state contract.

Mr. Gilliland answered yes.

Mr. Burkhardt said that he remembers years that state contract was not necessarily the cheapest way to purchase vehicles. He said it may be worthwhile to purchase vehicles through the bid process instead.

Mrs. Leeson asked if price for the mini buses would also increase \$7,000 to \$8,000 next year since they are obviously smaller than the full size buses.

Mr. Byres said that more than likely they would increase.

Mrs. Leeson believed that it would be in the district's best interest to purchase mini buses this year because we can get "more buses" for the same amount of money since they were a lesser cost.

Mr. Burkhardt asked if the oldest buses were all full sized buses. The memo that Mr. Himmelberger provided did not specify what kind of bus each model year was.

Mr. Faccinotto said that it would be helpful to have a figure of exactly what size buses are needed and how many of each so an exact cost could be determined. He believed that the district cannot keep putting off replacing buses; the longer we push off getting on a replacement cycle, the worse it is going to be financially speaking. Mr. Faccinotto said that everyone is aware of the fact that there is not going to be a budget surplus anytime soon, but we need to start somewhere with the replacement cycle.

Mr. McKeon asked if the maintenance department maintained records on how much it costs the district to make repairs on the vehicles and buses.

Mr. Gilliland said that we do through the tracking of work orders through the SchoolDude program.

Mr. McKeon said that he would be interested to see what the repair cost is per vehicle. He said that the older the vehicle, typically, the more the cost is per vehicle. He requested a list of the age of the buses and maintenance vehicles and what it was costing the district to maintain them. Mr. McKeon also wanted confirmation that the administration wanted a commitment from the board in regards to vehicle purchasing no later than January 31, 2010. He requested that the repair cost information on both the maintenance vehicles and buses be provided before the Regular Board Meeting so the board had time to review it and could make a decision on purchases at that meeting.

Mrs. Ortiz asked if there were any specific bus routes that were in need of buses more than others.

Mr. Gilliland said that there was not. Each year, the buses routes are alternated so the mileage is distributed more evenly.

Mrs. Follweiler asked how close we are getting to the technology for the larger vehicle hybrids like buses.

Mr. Gilliland said that the technology is here, but the cost benefit may not be there. The cost of the larger vehicles like buses may outweigh the payback.

Mrs. Follweiler asked Mr. Gilliland if he could include information on hybrid buses in the next memo to the board.

Mr. Gilliland said that there are local companies that promote the larger hybrid vehicles. A company in the Poconos offers hybrid dump trucks; the original payback was quoted at ten years. There are possibilities out there for hybrid vehicles.

Mrs. Leeson said that she would like to note that the district was on a replacement cycle for buses. It has been three years since buses have been purchased. The money for them used to be included in the budget as a line item, but then often times the district used the excess from building projects that went into capital reserve to pay for the buses. The district was purchasing seven buses per year with this method.

Mrs. Cann asked for a consensus if the administration could bring the vehicle replacements recommendation to the January Regular Board Meeting.

Mr. Gilliland said that in the meantime, he will have Mr. Himmelberger assess his needs for the number of mini buses and full size buses needed.

Mrs. Cann asked if it would be possible to wait to purchase vehicle number six on the list, which is listed as a Ford Explorer. This vehicle would be replacing a vehicle that is listed on the inventory list as being in “fair condition”.

Mr. Gilliland said that vehicle number six would be a new vehicle for the security department. It would be replacing an older vehicle with 163,000 miles. He said that the security vehicle could wait, but the other vehicles such as the pickups were critical to the operation of the maintenance department. He said that the security vehicle could be deferred for one more year.

Mrs. Cann introduced agenda item A, Energy Optimization Planning would now be discussed.

Mr. Gilliland said that he would like to review this item briefly as it was already presented at the November 2009 Facilities Committee Meeting. He said that the last time the board and administration met, we discussed the fact that the district needs a definitive comprehensive energy policy and plan. Mr. Gilliland said that there have been some inquiries by some people why the district needs an energy manager; they wanted to know why Mr. Gilliland could not oversee this project and negotiate power purchase agreements. He said that it is not that he does not want to assume the responsibility of the project, but rather that if the district was going to fully optimize the savings potential that we have, the project needed to be handled comprehensively. The fact is that this is an engineering solution when we are talking about some of the big savings that the district could benefit from and it is a complicated process. Huge amounts of data need to be collected and researched. Mr. Gilliland said that he believed that savings are out there and a plan needs to be implemented soon. Every new building that has been built recently has had energy saving initiatives integrated into those projects. For example, lighting control systems were built in at Freedom and Liberty High Schools. The scheduling of facilities through the METASYS system is another energy savings program that has been put in place. Mr. Gilliland said that another example is recycling. Last year, the district adopted the single stream recycling program. It is not just enough to say that we are adopting the program; we must participate in it. The recycling program will be a continued approach and the district will keep working with the staff and students to make sure that everyone is following the guidelines. For an energy savings program to be successful, goals need to be set, and there must be an education component. Everyone must be a part of the program in order for the district to be successful. Mr. Gilliland stated that multiple energy savings companies have been contacting his office with information on different types of energy saving and energy reduction programs. One company's approach was to come in and install capacitors on all the district's motors to save energy. Energy Education, Inc., another company who submitted a proposal, only approached the education component and did not mention anything about facilities or infrastructure projects. Mr. Gilliland said that in speaking with all of these companies, he has yet to see a plan that is as comprehensive as the one that D'Huy Engineering, Inc. has put together. He also said that he is speaking with surrounding districts as to what they are doing about reducing energy. There are energy solutions out there; they just need to be found.

Mr. Fazil said that he would like to outline the PowerPoint that was created by D'Huy Engineering, Inc. and was provided to the board in November 2009. In summary, the approach

that they were planning to use was similar to the Capital Improvement Plan. A comprehensive look at all the district's needs and facilities will need to be done to identify and prioritize what should be completed in order to achieve savings. This will need to be a collaborative effort from both the board and the administration. Mr. Fazil said that D'Huy is working on partnerships with organizations such as the Girl Scouts and Lutron. More high-tech items such as reducing peak demand, power purchase agreements, and solar energy will also be considered in the plan.

Mrs. Follweiler said that a "good policy" must be put in place to make stringent moves as to reducing energy consumption. She asked Mr. Gilliland about the other companies he has spoken with about energy savings; typically the process of bidding has always been done with projects similar to this. Mrs. Follweiler said that she has no doubt that D'Huy knows our buildings better than any other firm or company would, but she thought that this project should be bid. She requested the proposals from the other energy companies be provided to the board in order to ensure the board that D'Huy's plan was the most cost beneficial way to approach the energy savings project. Mrs. Follweiler then asked for clarification of D'Huy's proposal. She wanted to make sure that she understood that there would be an analysis of a twelve month usage of energy to establish a baseline figure. Any savings beyond that figure would then be split fifty-fifty with D'Huy. She wanted to know if this was correct.

Mr. Fazil said yes, that statement was correct.

Mrs. Follweiler asked if D'Huy makes recommendations and the district opts not to follow them, why there is a minimum payment of \$25,000 per year.

Mr. Fazil answered that that payment will be due only if the district decides not to implement the plan.

Mrs. Follweiler asked what will happen if hypothetically, the district implements the plan, and as part of the plan, D'Huy does an analysis and recommends that the districts leases out roof top space for solar panels; the district opts not to do this. She said that in her mind, this could be as though the district did not implement the plan.

Mr. Fazil said that the risk that he is undertaking on this project is significant on behalf of D'Huy Engineering, Inc. There is a huge amount of effort that is being put into this project and he would not propose this level of risk to his company for too many other districts other than the Bethlehem Area School District. Mr. Fazil said that he feels that he has developed a significant relationship and gained credibility with the district as well as having a tremendous amount of insight into the existing facilities. Mr. Fazil said that if you look at the other plans that companies are proposing, they are asking you to front the money for an energy manager and for improvements that they would be allowed to implement. These companies say that those savings will offset all the money that the district is paying upfront. Mr. Fazil again said that the risk to D'Huy Engineering is so significant that if there is any doubt from the board, the community, and anyone else involved, he would welcome that he be allowed to withdraw his proposal. The amount of effort that is required to accomplish the energy savings plan is significant. Mr. Fazil said that he is not coming to the board and asking them to invest \$500,000 today, rather, he is

telling them to invest nothing. He said that he is not looking to make \$25,000 because the board does not agree with him on something. The fee is only there to ensure that D'Huy is at least going to recoup some costs for the amount of hours that are going to be invested in the project. He said that if the district hits the ten percent mark in energy savings, it would translate to \$400,000 in savings. If D'Huy is to receive 50% of the savings, the amount paid to D'Huy would be \$200,000. Mr. Fazil said this would barely offset the invested hours. He said that if there is any doubt, the board should get proposals from other companies, and hopefully D'Huy will have the opportunity to submit a new proposal. He said that he can assure the board that his new proposal will have a higher cost because he has educated himself on the amount of effort that is actually needed to make this program successful. Mr. Fazil said that the proposal is no bargain for D'Huy.

Mrs. Follweiler said that she is not trying to point out that D'Huy has not been a good partner with the district. She said that it is Mr. Gilliland who has to prove to her that this a good deal. She told Mr. Fazil that he has done his "due diligence". Mr. Gilliland needs to come forward with the numbers from other firms have proposed. She said that in no way does she doubt the work that D'Huy has put forth; as a board, we have to look to see if this is the best deal. This project needs focus and that focus must come from areas of expertise that the district does not have. We need to see the "raw numbers".

Mr. Fazil said that while that was a great idea, the variability of this service is significant. What D'Huy is proposing is so diversified and so extensive that it will be very hard unless you specifically outline every item that the district wants. Mr. Fazil said that it is doable, but it will be difficult. He thought that if the district wished to obtain other energy saving proposals, they needed to compare "apples to apples" to ensure that they are not looking at different items across the board.

Mr. Burkhardt said that his concern was who was going to develop the rubric to say that we are comparing apples to apples. He believed that the worst thing the district could do would be to have someone come in who is not familiar with the district and come up with a "low ball proposal". His fear was that either the district would not accomplish what it set out to do or that the investment would be so great that it would be fruitless. He asked Mr. Gilliland if the other proposals that were submitted were as comprehensive as the one received from D'Huy Engineering, Inc.

Mr. Gilliland stated that no, they were not. Energy Education Inc. submitted a proposal, but the only component they touched on was education. He said that he would make this proposal available to the board. Another company that came in offered only one service as well, but it was nothing extensive.

Mr. Burkhardt asked if those were the only two proposals the district has received.

Mr. Gilliland said that yes, those were the only formal proposals received.

Mr. Fazil said that energy savings is a growing market. Numerous companies have tried to offer this as part of their services as there is such a big demand for energy savings.

Mr. Gilliland said that a company named SchoolDude, who we currently deal with, has also offered their software at a cost as a way for the district to track utility usage and energy savings.

Mrs. Dexter asked that if the district decided to bid out the project, whose job it would be to develop the rubric.

Mr. Gilliland said that decision would have to be made by the Superintendent and the board. That person would probably be designated as him, but he would not be comfortable developing it.

Mr. Burkhardt asked if it would be the engineer's responsibility to develop the proposal.

Mr. Gilliland answered that it would.

Mr. Burkhardt said that he does not understand why the district would want to add this "extra step" unless we did not have a good relationship with the engineer. Why would we force this extra step of developing a new proposal?

Mrs. Dexter asked if it was the engineer's responsibility as well.

Mr. Gilliland said that if the board thought that it was ethical to have D'Huy develop the rubric and then allow them to bid on the project, it would not be a problem. He said that he is definitely not qualified in any aspect of energy management to prepare a proposal.

Mr. Faccinotto said that he cannot imagine anyone who has a working relationship with our district that is going to come in "and do all this work for nothing" and then say that when the savings start, the payments will start. He did not believe that any other company would do what D'Huy was offering.

Mrs. Leeson said that she believed the capital improvement plan was outstanding and something that the district has been able to work with. For seventeen years, the district has been able to work with the same plan, reviewing it every year, and changing it as necessary. She said that if the concept of the energy savings plan was somewhat like the capital improvement plan in the fact that it would be something that the district would be able to continue to work with, it could be very worthwhile to us long term. She would like to see the district get into a situation similar to the capital improvement plan where we would be able to purchase a plan and then review it each year. She asked Mr. Fazil what the advantage was of going to a "fifty-fifty" payment instead of a flat rate payment for the plan.

Mr. Fazil said that for him, the fifty-fifty payments will be a disadvantage. He said that if the district wishes for his firm to provide a plan for a fee, they will. The difference between the capital improvement plan and the energy optimization plan is that the capital plan identified a

project, the project was publically bid, and contractors did the work. The energy plan, however, was designed at the board's direction because they did not want to have significant capital expenditures and try to recoup savings from energy without investing capital expenditure. He said that if the board wishes, he would provide a proposal with all the steps required to achieve savings outlined. The hours involved in this project are large; in the first year he estimated in excess of 3,000 hours.

Dr. Persing said that the answer to Mrs. Leeson's question was that what the district will not get with just a plan is the implementation portion. He said that anyone can provide a plan, but who was going to supervise and implement it?

Mr. Fazil said that he would be more than happy to design a plan and provide it to the district for a fee. He said that he can revise his current proposal and give it to the district with the hourly rates.

Mrs. Leeson said that Mr. Fazil was beginning to answer some of her questions. She said that she wanted clarification of that for instance, in the first year, it would take 3,000 hours. A plan that D'Huy could design might be a minimum cost of \$200,000. She asked Mr. Fazil if that statement was accurate.

Mr. Fazil said that the fee would be in excess of that. Hourly rates average about \$105.00 per hour.

Mrs. Leeson asked Mr. Fazil what his "ballpark" figure would be to design a proposal.

Mr. Fazil said that the difficulty with Mrs. Leeson's statement is where D'Huy would stop. He said that they could audit buildings, develop and prioritize a list of what the district needs, work to get an energy policy, and talk about other steps. He asked if it would stop at that point, or would it go to the next step to implement those ideas. Does the plan stop once we have the list, or does the plan proceed with implementation?

Mrs. Leeson said that she personally believed that the district needs an energy plan as soon as we can possibly "get moving on it".

Dr. Persing said that he was a "simple man" and wanted to make sure that he understood. He said that from his understanding, Mr. Fazil stated that he would come to our district, who does not have any money, and say to us that he will put in all of this effort to design a plan. If you save \$400,000 in energy, and I'll give you \$200,000 of that money, as well as put all my risk up front, and I'll supervise the plan. Every year you save money, you will get fifty percent of it. Dr. Persing asked Mr. Fazil if that was accurate.

Mr. Fazil said, yes, that statement was correct.

Mrs. Cann said that she had a few specific questions about the contract. She referred to part H, energy conservation projects, and said that Mr. Fazil previously stated that the district did not have the ability to invest in any improvement or projects. Does part H infer that?

Mr. Fazil said that there may be some energy conservation projects that could be done. An example could be as simple as recommending that lighting control systems be installed in the gymnasiums. The project would then be discussed between the board and energy committee, and then it would be decided whether or not to implement it. For example, if it were implemented, it would be identified as a project. Say the project would cost \$20,000, and over five years, the costs from that project would be recouped. That money would be calculated and not be part of the split. The reason for this is because you would be paying money out of pocket to pay for that specific improvement. Mr. Fazil said that it is a complicated process, however, D'Huy is not going to come to the board recommending a lot of projects because the district does not have that many buildings that are so far out of date where entire systems need to be replaced because of energy inefficiency. He said that about eighty percent of our facilities have fairly good systems that can be adjusted and worked with. Mr. Fazil said that it was possible that some of the energy conservation projects may be able to be tied back into the capital improvement plan.

Mrs. Cann said wanted to confirm that the investment in the project would be subtracted out of savings.

Mr. Fazil said yes, it would.

Mrs. Cann asked about part 2 of the proposal, payments to engineer. The proposal states that the engineer shall invoice the owner for the annual fee and that the district will pay within forty-five days. She wanted to know how the payments would be arranged so that the district would already have the money from the energy savings to pay D'Huy.

Mr. Fazil stated that a schedule of payments could be arranged. He said that a budget line item for utilities already exists. The payments could be paid out of that line item since the money is already budgeted.

Mrs. Follweiler recommended that the savings be reviewed quarterly. She did not recommend making yearly payments as she thought that was too long of a time to ask D'Huy to wait for their money that was due. Mrs. Follweiler said that often times, when changes are made and you estimate saving money, it does not realize. An ironclad way must be found to determine that the district has realized the estimated savings and when the payment will be validated.

Mr. Fazil said that Mrs. Follweiler made a good point by saying that the savings must be realized. Utility usage must be kept track of because the rates are going to continue to rise. If the budget is properly managed and the line item is increased appropriately to reflect the rise in cost of the rates, the money should already be allotted.

Mrs. Dexter said that she had sent some questions via email this morning that she would like to discuss. She asked what the qualifications of D'Huy Engineering, Inc. were to provide expert services in the area of energy savings.

Mr. Fazil answered that there is no specific requirement that says that someone is qualified from an energy savings standpoint. What qualifies D'Huy Engineering, Inc. is the fact that they are a facilities engineering firm. They have a total understanding of building systems and what all of the different systems are that consume energy in the buildings. Further, there are professional engineers on staff including in the fields of mechanical engineering and licensed architects on staff. Mr. Fazil said that he is a LEED AP and there is also a staff member who is an ICC certified commercial energy plans examiner and a commercial energy inspector.

Mrs. Dexter asked who they were certified by.

Mr. Fazil said that they are certified by ICC, who is the International Code Council and governs the building code. He stated he does not believe there is no one piece of paper or certification that you can get that says that you are certified. One of the items that makes D'Huy Engineering Inc. unique is that they have a total building systems knowledge, especially with school buildings.

Mrs. Dexter asked Mr. Fazil what kind of person she would need if she were to tell him that she needed an energy expert.

Mr. Fazil said that he believed that he just answered that question. He does not believe that there is "a single person". He then compared energy experts to medical doctors and said that there are general practitioners, and then there are specialists. An energy expert is comparable to this as there are many different fields in energy savings.

Mrs. Dexter said, "I need any an energy expert; I need D'Huy Engineers".

Mr. Fazil said that is not what he said. He believes that he is more than adapt at managing the entire process. He said that he is not an expert in every field.

Mrs. Dexter asked Mr. Fazil if he has anyone on staff "that is HVAC".

Mr. Fazil said that yes, he has a staff member who is a professional mechanical engineer and people, including himself, with experience in HVAC systems.

Mrs. Dexter said, "HVAC. Heating, ventilation, and air conditioning." Do you have a HVAC person?

Mr. Fazil answered yes.

Mrs. Dexter asked if that person would be involved in this project.

Mr. Fazil said that yes, they would be involved.

Mrs. Dexter asked if any of the services will be subcontracted.

Mr. Fazil said that not a significant portion, but there will be some of aspects that specialty consultants will be brought in to help evaluate some items. That might include for example, the energy demand portion of the bills, or solar energy.

Mrs. Dexter asked Mr. Fazil that if Mrs. Follweiler's suggestion of bidding out the job is accepted by the district, are you the person who would prepare those bid documents.

Mr. Fazil said that he would refer to it as an RFP [request for proposal] rather than a bid. An RFP gives you a professional level of evaluation as opposed to just a commodity based evaluation. He said that he could help prepare the RFP if that is what the board wished.

Mrs. Dexter asked if preparing the RFP part of Mr. Fazil's job as our district engineer.

Mr. Fazil said that the district would be billed for this service as he did not believe that it fell under the retainer fee.

Mrs. Dexter asked how many hours it would take to prepare the RFP.

Mr. Fazil answered that he believed it would take approximately eighty hours to prepare the RFP. Those hours do not include the evaluation process, any pre-bid conferences, building walk through, or any secondary evaluations.

Mrs. Cann said that she would like to poll the board to see if they would like to have this item appear on the agenda for the Regular Board Meeting.

Mrs. Follweiler requested information from Mr. Gilliland as to the other companies that have submitted proposals for energy savings.

Mr. Gilliland said that he will provide this information.

Mrs. Leeson said that she will also like to see that information as well.

Mrs. Dexter said that she had more questions on D'Huy's proposal. She questioned the six year term of the contract. She asked that if the board decided not to follow through with the plan after D'Huy has taken the time to prepare it, would they still be obligated to pay the \$25,000 per year?

Mr. Fazil said that if D'Huy goes through the first year and develops the entire plan and the board decides to not follow through, then yes, D'Huy would be entitled to that money. Mr. Fazil also said that most of the projects in the proposal will be no-cost expenditure items.

Mrs. Dexter asked how the district will know that there will be no-cost items as opposed to, for example, replacing the boilers in four buildings. She said that she thinks that it is feasible that D'Huy can come to the district and say that the heating unit needs to be replaced at Nitschmann Middle School in order to save money on energy.

Mr. Fazil said that he does not intend to have those types of items listed in the plan as projects. There is not going to be a list of expensive projects. Mr. Fazil said that he could incorporate wording in the contract to clarify this.

Mrs. Dexter said that she would like to see that language added to the contract. She said that she is concerned with this because the district is cash-strapped.

Mr. Fazil said that there will be a whole list of separate energy projects that will be identified. He said that the only reason for the \$25,000 per year fee is because if over 3,000 hours are spent on this project and the district decides to shelve the plan, D'Huy can recuperate some money on the hours invested.

Mrs. Dexter asked if the contract has been reviewed by the district's solicitor. She wanted the solicitor to look at the contract before anything was even considered. She also asked what other district's of our size are doing about energy savings.

Mr. Gilliland said that he responded to her questions via email, but he would follow through again tomorrow. He has contacted numerous districts and is waiting to hear back from them with an answer.

After a poll of the board, it was decided that this item will appear on the Regular Board Meeting Agenda.

Mr. Gilliland then reviewed agenda item B, Adoption of the National Incident Management System. He said that a number of years ago when the Emergency Operations Plan was presented to the board, the National Incident Management System (NIMS) was discussed. This is a nationwide system that is put in place so when emergency responders arrive to a scene, they know who the boss is and what protocols are to be followed. Mr. Gilliland said that the district has already indirectly gotten the board's approval to use the NIMS based on approving the Emergency Operations Plan a number of years ago. Mr. Gilliland said that when he went to the REMS conference in November, it was specifically requested that the board approve this item. Approving this item will also keep our district in compliance with the REMS grant requirements.

After a poll of the board, it was decided that this item will appear on the Regular Board Meeting Agenda.

Mr. Gilliland then explained agenda item C, Authorization to expend Capital Reserve Funds – Bids Opened December 22, 2009 – Railing Repairs – Freedom High School. He said that the board previously gave the administration permission to bid this project. The bid tabulation is

attached; the district has chosen A.P. Houser, Inc. The alternate bid for this project was chosen as the stainless steel product will hold up better than the powder coating in the high traffic area.

Mrs. Follweiler said that the powder coating provided a textured grip on the railings.

Mr. Gilliland said that the stainless steel is actually on the mesh panels that infill the railing and not on the hand rails.

After a poll of the board, it was decided that this item will appear on the Regular Board Meeting Agenda.

Mr. Gilliland discussed agenda item CC, Authorization to Restore Capital Reserve Funds – Roof Repairs – Freemansburg Elementary School – Change Order Deduct. He explained that the project is complete and the contractor agreed to issue the district a credit for unused material.

After a poll of the board, it was decided that this item will appear on the Regular Board Meeting Agenda.

AGENDA ITEMS FOR THE JANUARY 25, 2010, REGULAR BOARD MEETING –

After discussion, the board committee agreed to bring the following agenda items to the January 25, 2010, Regular Board Meeting:

- A. Energy Optimization Planning
- B. Adoption of the National Incident Management System (NIMS)
- C. Authorization to Expend Capital Reserve Funds – Bids Opened December 22, 2009 – Railing Repairs – Freedom High School
- CC. Authorization to Restore Capital Reserve Funds – Roof Repairs – Freemansburg Elementary School – Change Order Deduct

COURTESY OF THE FLOOR TO VISITORS –

None.

OPEN FORUM –

Mrs. Dexter said that an email was received from a parent inquiring about volunteer training. She wanted to know the status.

Mrs. Leeson said that Dr. Donaher responded to her today stating that he is collecting additional information before addressing to the board on this topic.

Dr. Donaher said that he will provide this information within the next few days.

Mrs. Dexter asked if the transcript from the Charter School Hearing has been received. Dr. Donaher said that our solicitor's office has sent an email to the person who did the transcribing for that hearing requesting it.

Mrs. Dexter said that she would like to read the transcript before having to vote on that topic.

Mrs. Leeson said that she believed there were audio tapes available from that meeting.

Mrs. Follweiler said that she would like an electronic copy of the transcript as well.

Mrs. Ortiz said that from the Charter School meeting, there was also supposed to be a CD sent out. Was that received?

Dr. Donaher said that a copy of the CD was received by the solicitor's office. He said that the district still has the original CD if anyone would like to view it before it is returned.

The meeting was adjourned at approximately 7:37 p.m.

Minutes prepared by:

Kristen M. Snyder, Secretary to the Director of Facilities and Operations

Scott T. Gilliland, Director of Facilities and Operations