

**BETHLEHEM AREA SCHOOL DISTRICT
BOARD FACILITIES COMMITTEE
MEETING MINUTES
MONDAY, MAY 3, 2010**

Mrs. Michele Cann, Facilities Chairperson of the Board of School Directors, called the meeting of the Board Facilities Committee to order at 6:01 p.m. on Monday, May 3, 2010, in the Dining Room of the Education Center. Present were School Board members Judith Dexter, Michael Faccineto, William Burkhardt, Michele Cann, Irene Follweiler, Aurea Ortiz, and Eugene McKeon. Also present were Dr. Thomas Persing, acting superintendent of schools; Stacy Gober, assistant to the superintendent for finance and administration; Scott T. Gilliland, director of facilities and operations; Michael Spadafora, D'Huy Engineering, Inc.; Ann Behers, operations manager; and representatives from the press.

The following items were discussed:

COURTESY OF THE FLOOR TO VISITORS –

Lawrence Eighmy, 301 Broadway, Bethlehem: Mr. Eighmy stated that his company was a proposer of the energy RFP that was issued by the district. He said that he was present at tonight's meeting to share his "passions" for Bethlehem Area School District. His firm was a local firm headquartered in south Bethlehem with a national and international presence. He said that local work that his company has done included the commissioning for energy related work for the Steel Stacks, Ben Franklin, and the St. Luke's riverside complex. Mr. Eighmy said that in addition to these local projects, his company has "passion for energy and sunshine". He stated that when he attended the April 26, 2010, Regular Board Meeting, he was surprised to find that two components of the energy RFP were awarded that evening. These two items that were awarded were the solar component and the procurement component of the RFP. Mr. Eighmy said that in his experience, energy management works best when done in a "consolidated, coordinated manner". He said that the agreement that was arranged with Tangent Solutions was to develop approximately ten percent of the district's load; the district's sweep provisions in its procurement contract would want to know that as an example of the coordination that needs to take place between energy components. Mr. Eighmy said that it "seemed odd" to him that the district would include the alternate one in the energy RFP, but in turn, award it to someone else. Mr. Eighmy requested that his firm be provided with the tabulation of quotes from the energy RFP so he may have a chance to evaluate it.

Mrs. Cann requested that Mr. Eighmy provide his contact information so the board can respond to his concerns.

DISCUSSION ITEMS –

Mrs. Cann asked Mr. Gilliland to share with the board his results of the energy Request for Proposals (RFP) [item number two on the agenda, Energy RFP Review].

Mr. Gilliland stated that the energy RFP and all items associated with it were not easy tasks to complete. He said that the administration did their best to come up with a fair way to evaluate the responses. Mr. Gilliland noted that he was pleased with the amount of responses the district received and would like to publicly thank all of the companies and firms who submitted them. Eleven proposals were received; out of those eleven, some were geared either towards just alternate one or to some sort of special service they offer. The energy RFP was also sent to a number of Energy Savings Companies (ESCO's), and only one ESCO responded. Mr. Gilliland said that the energy RFP was done collaboratively with himself and his staff. Prior to the evaluation of the responses, a logic matrix was designed as a way to rate the proposals. The energy RFP included seven tabs, and each of these was assigned an importance factor through the logic matrix. Mr. Gilliland said that each response to the RFP was reviewed individually, and then the information was collaborated and scored by the matrix. He said that the committee who reviewed the RFP responses consisted of Jim Newell, Ann Behers, Stacy Gober, Buddy Webber, and himself.

Mrs. Cann said that the district is looking for an energy audit as well as an energy plan. She asked Mr. Gilliland if the firm who would complete the audit would also design an energy plan for the district.

Mr. Gilliland said that it would make sense for the same company to complete both tasks.

Mrs. Cann believed that the responses to the energy audit portion of the RFP were confusing. She said this was because some companies charged a large fee for the audit while others charged no fee at all.

Mr. Gilliland said that this factor caused more than its fair share of debate. He said that at last month's meeting, the General State Authority came and shared information on what an ESCO is and the services they provide. The ESCO that submitted a response to the RFP said that the initial audit would be at no charge to the district, and subsequent work would be worked into the price of the guaranteed savings or performance contract if that is what the district chooses to do. Mr. Gilliland said that another item that was highly debated was the entire RFP process; he said that he was directed to issue the RFP for the audit and plan. He said that the district must determine where this project is going to lead and what we must do now that responses have been received. The audit will be used to identify areas of opportunity for energy savings, and the energy plan would be suggestions for areas that the district should consider investing in. Mr. Gilliland said that discussion has taken place in his department to determine how "we will get to the end". This is a three step process; equipment replacement, education, and optimizing what we have in use already. The education step will also include educating the district's technicians on energy savings procedures and making sure that they are familiar with the operation of the equipment the district has. He said that must continue to optimize the programs that are already in place such as Johnson Controls. Johnson Controls was implemented as part of a guaranteed energy savings project a number of years ago. He noted that the district must continue to look at schedules in the way that the buildings are utilized. Mr. Gilliland believed that these three items were the most important components even though they were not outlined specifically in the RFP.

Mrs. Cann asked if there were any firms that submitted responses that would be able to address all three of these components.

Mr. Gilliland answered yes, there were.

Mrs. Cann asked Mr. Gilliland to name the firms that would be able to address these three components.

Mr. Gilliland answered D'Huy Engineering, Inc., ARAMARK, Strunk-Albert Engineering, and The Stone House Group.

Mrs. Cann said that although each one of these firms is qualified, they priced the audit and plan out very differently.

Mr. Gilliland stated that each of these firms submitted prices for the energy audit, energy plan, and alternate one. He said that Energy Solutions Network would be capable of completing these three components as well.

Mrs. Cann asked that if the district decides to invest in upgrading and replacing equipment, would it be better to use an ESCO for that portion of the contract because of the guaranteed savings?

Mr. Gilliland said that he speculated the energy plan will make the recommendations for equipment replacement. If it is decided that equipment replacement will be done, the district would then have two options. Improvements could be financed through its own funds, or, the district could enter into an agreement for guaranteed energy savings. If the district chose to enter into a guaranteed energy savings contract, we would be obligated to follow the rules and regulations governing the procurement of those services.

Mrs. Cann asked if it was possible for the district to choose one of the firms who submitted a response to the RFP and have them complete the energy audit and energy plan. If it is determined that part of the plan is to invest in capital improvements, can we pull out that portion and award it to an ESCO?

Mr. Gilliland answered that the capital improvement portion of the project would not be able to be done as a separate project. The capital improvements would take place after the audit and plans are completed. He said that there were two firms that submitted pricing for what their fees would be after the audit and plan were done. One company provided what the cost would for a five year plan. They would hire an energy manager to oversee the project, and after five years, the district would take over.

Mrs. Cann asked if choosing one of these firms to complete the energy audit and plan would preclude the district from using an ESCO in the future.

Mr. Gilliland answered that Mrs. Cann's statement was correct. He said developing an energy plan is about having a comprehensive approach to the project. There are many different aspects that must be included.

Mrs. Dexter questioned the development of the logic matrix. She asked if there were specific criteria listed as to how a firm could achieve a score of a one, two, three, or four.

Mr. Gilliland answered that the easiest way to explain the matrix was to refer to a specific portion of it. For instance, tab 5, which refers to public school expertise, scores the firm based upon how much public school experience they have. A score of one would mean that the firm has no public school experience, whereas a score of four would mean that they have extensive public school experience. Mr. Gilliland noted that the logic matrix was "far from perfect", but it gives us the ability to score firms based upon specific criteria rather than a simple "like or dislike" factor.

Mrs. Dexter asked if the criteria intended to mean that a firm had extensive school experience of any type of engineering or architecture services, or if it intended to mean energy services.

Mr. Gilliland said it was considered to be energy services. Just because a firm has completed numerous school projects does not mean that they are qualified to complete an energy audit and plan.

Mrs. Dexter asked how many projects a firm would have had to complete for them to obtain a score of four.

Mr. Gilliland answered the projects were not quantified.

Mrs. Dexter stated that it is important to quantify if you wish to measure something. She said that she reviewed the top five proposals, and for example, The Stone House Group listed at least eleven school based projects were they were involved with energy services. She noted that they scored a two. She asked Mr. Gilliland if a firm would have to have fifteen or more projects to score higher, or if this was being rated in regard to the amount of money spent per project. Mrs. Dexter said that D'Huy Engineering only has three projects, and for tab 2 [statement of firm's qualifications], they list that they employ LEED AP's and PE's. Most of the other top five firms also noted that they employ at least twenty-five of these professionals. Does having a LEED AP in your firm get you a score of four?

Mr. Gilliland said that some firms did not define the roles of who would be working on the project, whereas others did through an organizational chart.

Mrs. Dexter said that the district's RFP did not define this needed to be done. She asked how the responses could be measured based on that if we did not require this to be listed. Mrs. Dexter believed that this could be perceived as being unfair. She said that while reviewing the matrix, she found that by bumping up one firm's score in any category changes the "whole skew" of who is on top. She questioned the validity of saying which firm was the best and who was

second best. She believed that the most important criteria that should have been listed on the matrix, which was energy experience in public school study, was not listed. She said that some firms have energy expertise and some do not. Mrs. Dexter said that she also found quite a few discrepancies while reviewing the proposals and the scores. One of these areas was grants. While it was listed for one company in the matrix that “no direct comprehensive energy projects were listed”, she saw some listed. D’Huy Engineering scored a four on the matrix in this category, but they did not list any specific projects in their proposal. Mrs. Dexter said that although she appreciated Mr. Gilliland reviewing the proposals, she found too many factual errors to say that it was a valid evaluation. She said that if the administration would like to evaluate other factors such as an engineering firm that we have worked with, or someone that that we would like to do business with because of our personal trust or integrity, then that should be on the matrix. We should not say that we are going to score on grants when a firm who specifically lists items receives a low score and another who lists nothing receives a score of four.

Mr. Gilliland said that the matrix is not perfect and is subject to anyone’s interpretation. He said that he was not sure how to receive Mrs. Dexter’s comment as it was not a matter of who the district has and has not done business with.

Mrs. Dexter asked if there was any way to tell what the components of any energy firm’s audit would be.

Mr. Gilliland said that a specific schedule of activities and tasks was listed by the district in the RFP. Some firms questioned the level of the energy audit.

Mrs. Dexter said that Mr. Gilliland’s memo that was sent to the board with a copy of the matrix recommended using D’Huy Engineering, Inc. to complete the energy plan and audit. She asked Mr. Gilliland why he recommended D’Huy when a different firm offered to complete the audit at no charge. Mrs. Dexter told Mr. Gilliland that she would like him to address the issue of why he was recommending the district pay for an audit when one was offered at no charge.

Mr. Gilliland answered that while the audit is initially at no charge the district will eventually pay for it as the cost for the audit is calculated into the entire plan. The company who offered to complete the audit at no charge was an ESCO and ESCO’s are geared toward replacing equipment. The administration felt that the plan should be more comprehensive to include other items.

Mr. Burkhardt said that the General State Authority made it clear to him that the most competitive projects were the ones where there is a plan to buy equipment as well as other items such as windows, roofs, shutters, etc. Mr. Burkhardt said that the district must decide if this is what we want to do as we do not have money to invest in these projects. He said that he thought the district was investigating the educational portion of energy savings as well as negotiated energy rates. These projects would not require any money to be invested in equipment. Mr. Burkhardt said that he reviewed the proposal from the company who offered the audit at no cost. At the beginning of their proposal, it indicated a “preliminary” energy audit would be completed to “determine the technical and economic feasibility of a Pennsylvania legislated guaranteed

energy savings contract.” He stated that it is clear that they are saying that they are going to determine what equipment needs to be replaced. He said that he was concerned that the district would enter into a contract to have this done when it was not what we set out to do.

Mrs. Cann said that the board never made a determination on what was going to be completed. It was suggested that we investigate options that would not cost much money; however, the board has since learned that capital improvements could be done at no cost through an ESCO and the Guaranteed Energy Savings Act (GESA). Mrs. Cann asked the board if they were interested in looking at ESCO’s for capital improvements.

Mr. Faccinetto stated that the district received two energy proposals from D’Huy Engineering, Inc. The board decided to have the administration issue an RFP to determine if D’Huy’s costs were “in-line”. Was this not the original purpose of the RFP?

Mrs. Cann said that the RFP was not issued for this reason. It was distributed so the district could receive competitive bids for this project.

Mr. Faccinetto said that the district never discussed issuing an RFP until after D’Huy provided their proposals to the board.

Mrs. Cann said it was done because it was decided that the district could not accept D’Huy’s proposal without obtaining other competitive bids.

Mrs. Dexter said that it was not the board’s decision to issue the RFP. She said that she reviewed the minutes from the March 1, 2010, Facilities Committee Meeting to confirm this. Mrs. Dexter said that what was decided was that the board requested more information on what energy options were available. She said that there was an administrative error made and the RFP was sent out before it was reviewed by the board. Now that the district has responses to the RFP, we can choose to either act on them or not. She said that the district can still discuss using an ESCO, solar panels, and other items as the responses to the RFP have not been acted upon. Mrs. Dexter said that the AMERSCO proposal, who was the firm who offered the free energy audit, recently completed an audit for the Allentown School District. She said that she understands that the “end product” is extensive and available for review. She suggested reviewing it to see if it contained information that may be helpful to our district. Mrs. Dexter continued to say that an ESCO would help our district to obtain the financing needed to complete the suggested capital improvements. She said that she liked the idea of the guaranteed savings and believed that ESCO’s conservatively estimate what they think the district may save because they do not want to be “on the hook” and owe money back to the district. She believed that they were successful in the recommendations they make because they are in the business of energy savings and they know what will provide for the best payoff. They will develop a capital improvement plan and the district will be able to pick the items that we want done. Choosing an ESCO involves no capital outlay. Mrs. Dexter said that she is interested in seeing what the free energy audit entails.

Mrs. Cann asked the board if they were interested in considering capital improvements through ESCO projects and financing.

Mr. McKeon said that the district should further investigate what this program is about. He said that there is no commitment on the district's behalf to invest money. He said that the money that will initially be invested will be recovered through energy savings.

Mrs. Cann said that annual loan payments will be made out of the money that is saved. Choosing an ESCO is only one part of the process; the district will still need to have an audit completed. She said that there are two options that are being considered. The first option is to choose an ESCO, and the second is to further investigate other services such as energy education.

Mrs. Follweiler said that the matrix was sent out to the board on blue paper, which meant that it was a confidential document. She questioned why it was being discussed at a public meeting if it was confidential.

Mrs. Cann said it can be discussed, but not distributed to the public.

Mrs. Follweiler said that she agreed with Mrs. Dexter in the regard that there has to be "measureable parameters", and much of what is listed on the RFP is objective and subjective. Mrs. Follweiler said that in her line of work, she often asks companies to rate themselves so that no aspects are missed.

Mrs. Cann said that if the board wishes to hear from the representatives of the firms who submitted responses to the RFP, a meeting can be held so the board's questions can be answered.

Mrs. Follweiler said that she does not necessarily want to view presentations from each company, but would like to see if each firm agreed with their score.

Mrs. Cann suggested taking another look at the responses as they might "reveal" more information.

Mrs. Ortiz said that she also believed that the purpose of the RFP was to bring additional information back to the board. She asked if the matrix was based upon the district's needs. Mrs. Ortiz said that the RFP was never brought back to the board for review so it could be determined what areas the district wanted to look at further.

Mrs. Cann said the RFP is addressed to meet the district's needs.

Mrs. Dexter stated that when she heard that the RFP was issued, she felt that it should have been rescinded. She could not do this as the board did not send it out; the administration did. Now what the board has is responses, and can choose whether to act on them or not. Mrs. Dexter said that she asked Mr. Gilliland what he is looking for and he responded that he wanted direction.

Mr. McKeon said that there was confusion surrounding the RFP. This is a huge project and the district must keep in sight what we started out to do. Every month that passes, the district is losing money on the savings that we could have been getting. He said that he would like to "go through this a lot slower" and not be rushed into making a decision.

Mrs. Cann said she agreed as the results were just received a few days ago, and the board needed time to review the proposals.

Mrs. Dexter said that there can be some sense of urgency because some aspects are tied into grants which have deadlines. She said that there is a grant under Act 129 that could help the district to cover the cost of a "technical study". She suggested investigating this more. She said that she also believed that we should also be looking into the ESCO more as they were willing to complete an audit at no charge. Mrs. Dexter said that she wanted to obtain a legal opinion as to whether D'Huy Engineering was able to submit a response to the energy RFP. Her research showed that there is an ethics code that applies to engineers. Mrs. Dexter asked if Mr. Fazil could solicit work for his company and act as our district engineer. Her concern was that the district does not have any "technical people" on staff to oversee D'Huy's work.

Mrs. Cann said that in her discussion with the solicitor, it was determined that D'Huy Engineering is not precluded from submitting a response and completing the work, but rather more of a judgment call by the district. She said that engineers are advised not to be in a situation where conflicts or circumstance could influence their judgment and their service. She said that the board should obtain the solicitor's opinion on this issue.

Mr. McKeon asked if there was a way to have a professional organization review this question to decide if it is ethical or not.

Mrs. Cann said that she will ask the solicitor if such an organization exists for engineers.

Mr. McKeon said that it is a possibility to ask D'Huy Engineering to submit this question to their professional association for a ruling. This would prevent any future questions on if the circumstance is ethical or not.

Mrs. Dexter said that when she researched this a few years ago, she found that there are multiple avenues that can be pursued to get rulings from professional groups to see if there is a conflict of interest or not. Some conflicts exist, but are able to be waived, whereas others are not able to be waived. She explained that if a conflict is able to be waived, it means that it is disclosed to the client what the risks are and the client agrees to those risks. If a conflict is not able to be waived, it means that the Society of Engineers looks upon certain situations so strongly that they feel that the situation should not exist even if the client is interested in pursuing the project. It is very fact specific if a conflict is able to be waived or not. She suggested submitting the facts that we know, disclose the relationship between the district and D'Huy Engineering, Inc. as well as the current retainer contract, and let another outside group determine whether or not the situation is a conflict. Mrs. Dexter said that if it is determined that it is a conflict, but is able to be waived, it will be the board's decision if they want to go forward with the project. She said that she believes that this circumstance may be a possible conflict.

Mr. Faccinnetto asked how the district would go about resolving this.

Mrs. Dexter said that when she researched this in 2006, there was a body of engineers that had an ethical committee composed of people all across the country. The process was that you would write them with the concern in question, request they review it, submit the facts, and they in turn would issue a response in writing. She said that it is possible that the American Society of Civil Engineers has such a committee where they give advisory ethical opinions. Mrs. Dexter said that when ethics were questioned before, she requested Mr. Fazil to pick the committee to review the situation.

Mrs. Cann stated that it is important to note that no one is questioning D'Huy Engineering's quality of work. She said that the district admires so much about them, but wants to make sure that the board is following the proper procedures and not creating conflicts.

Mr. Gilliland said he would like to review with the board the discussion he had with the solicitor. The solicitor said that there was no legal conflict, but the board must decide if there is a practical conflict. If the district is saying that the conflict is that D'Huy Engineering cannot provide oversight on themselves, the board can choose to hire another engineering firm to oversee the project.

Mrs. Dexter said that there is another canon that speaks to the issues where there has been advice already provided to a board or governmental agency by a professional, and then that professional bid on the project. She said that she requested D'Huy's retainer bills for review, and on those bills, there were multiple entries billed on the energy plan. She believed that if D'Huy was helping to devise the energy plan, they were "setting up the rules...and that creates an appearance of impropriety".

Mr. Gilliland said that he asked Mr. Fazil to provide the hourly information she was referring to as there were some questions about the retainer agreement. He wanted to show what the benefit of having a retainer agreement was as opposed to having each individual hour billed to the district.

Mrs. Cann said that the board just wants to ensure that there is no conflict.

Mrs. Follweiler said that she has no objection to D'Huy Engineering; however, just wants to ensure that there is no conflict of interest. She said that she would feel more comfortable by investigating if there is an ethics board this question could be reviewed by or if a written opinion could be obtained from the solicitor.

Mrs. Cann said that this will be looked into. She then asked Mr. Gilliland if the capital improvement financing through an ESCO would have to be sent out on a separate RFP.

Mr. Gilliland answered that the guidelines will have to be followed.

Mrs. Cann suggested looking further at the RFP's that the district has received before issuing another RFP.

Mr. Burkhardt asked Mr. Gilliland if he has looked at the work being done in Allentown School District by AMERESCO.

Mr. Gilliland answered that he has not. He said that if directed to do so, the administration can go look at the work that is being done there and then provide that information to the board.

Mrs. Dexter said that she would like to address Mr. Eighmy's comment that was made at the beginning of the meeting. She said that she would also like to see sunshine, transparency, etc., and would like to see all of the proposals that were received be made public information. She also said that she understood that Mr. Gilliland promised confidentiality when the RFP was issued, but would like to see each vendor waive this promise to make the documents public information. She also believed that the logic matrix should be made public as well.

Mrs. Cann stated that in the conversation she had with the solicitor, he said that the RFP is public, but the financial information should be redacted before being issued publicly. Mrs. Cann said that she was not sure what financial information the solicitor was referring to. She said that the logic matrix was private and should not be published.

Mrs. Dexter said that even if the law permits the district to keep the matrix private, she advocated that it be made public. She suggested that Mr. Gilliland contact each individual firm to obtain approval to publish their information.

Mrs. Cann asked Mrs. Dexter if she wanted both the RFP and the matrix to be made public.

Mrs. Dexter answered yes. She said that she wanted to be able to "stand by their work".

Mr. Gilliland said that he did not have a problem contacting the firms, but thought that unless there was one hundred percent agreement among the firms to have their information published, it would not be able to be done.

Mrs. Cann suggested obtaining the solicitor's opinion before anything was done. She said that the district should be sure that it is not violating the rights of the vendors by asking them if their financial information could be published. Mrs. Cann then asked Mrs. Dexter to explain Act 129.

Mrs. Dexter said that Act 129 is a state law that requires the utility companies to reduce energy usage. She said that she understood that through this law, there was grant money available to help cover the costs of technical studies.

Mrs. Cann asked Dr. Persing to have a member of the administration check into the grant.

Mrs. Ortiz asked Mrs. Cann to summarize what the board was requesting the administration to do.

Mrs. Cann said that the board received the results of the RFP a few days ago and has not had the opportunity to review them. She said that the board needs time to review them thoroughly to see what is being proposed and what the pricing of each company includes.

Mrs. Follweiler added that the board will also be reviewing the proposals for a conflict of interest regarding D'Huy Engineering. She said that Mr. Gilliland has agreed to check with the firms as if their proposals can be made public, and after the solicitor's opinion is received, it is possible that the matrix may be made public information.

Mr. Gilliland asked if the board wanted the letter sent to all eleven firms who submitted proposals or just the top five firms.

Mrs. Cann said to send the letter to all eleven firms.

Dr. Persing said that two communications from the district's solicitor were just brought to his attention. In the memo dated September 14, 2007, the solicitor stated his legal opinion in response to a conflict of interest, and the second memo dated March 1, 2010, was in response to the questions raised regarding the energy RFP. Dr. Persing said that he would pass the memo out to the board for them to review.

Mrs. Cann requested that Mr. Gilliland to contact the solicitor prior to sending out the letter to the firms.

Mr. McKeon asked what would happen if one firm states that they do not want their information made public. Would the district be allowed to publish the remainder of the firms' information?

Mrs. Cann answered that this question will be addressed to the solicitor. By nature, the RFP's are public, but the question is whether or not the financial information must be redacted before publishing this information.

Mr. McKeon said that the RFP is confidential up until the project is awarded. After it is awarded, the RFP becomes public information.

Mrs. Cann said that Mr. McKeon's statement was correct and requested Mr. Gilliland to contact the district's solicitor to obtain his legal opinion on the matter.

Mrs. Dexter said that she would like to address questions raised about the solar grant submission agenda item that was awarded to Tangent Solutions at the April 26, 2010, Regular Board Meeting. She said that she was not aware that Tangent Solutions was one of the firms that were listed in D'Huy Engineering, Inc's energy services proposal that would be doing part of the work that they proposed. Mrs. Dexter asked Mr. Gilliland if this part of the energy plan was pulled out and awarded prior to reviewing the matrix and results of the responses to the RFP.

Mr. Gilliland answered that not knowing when or if the RFP was going to be awarded was the reason this was done. The district wanted to enter into short-term energy purchase agreements as

part of a “stop-gap measure” to try to eliminate some costs of the rising energy prices. The grant money for the solar opportunities was also not going to be available after June. The district did not want to miss this deadline as some solar companies that were contacted by the district stated that if there were no grants available, solar energy would not be a viable option at this time.

Mr. Gilliland then explained agenda item A, Award of Bids for Chemical Dispensing System Products – Bids Opened April 22, 2010. He said that a number of years ago, it was determined to be more advantageous to the district to have its cleaning products metered. These products are also the only “recognized” cleaning agents in our buildings. They were only two companies that responded to the RFP for dispensing products.

After a poll of the board, it was decided that this item would appear on the agenda.

Mr. Spadafora then explained agenda item B, Award of Bids for Freemansburg Elementary School Moisture Damage Remediation and Reconstruction – Bids Opened April 29, 2010. Mr. Spadafora explained that D’Huy Engineering, Inc. was asked to prepare to bid documents for this project based on the air quality testing results that were received from 1Source Safety & Health, Inc. It was determined that the moisture problems were isolated to one classroom wing. The bid documents were based on performing base bid work to correct the items that were found and items that they suspect may be found during the project. The materials that will be installed are not susceptible to any kind of bacterial growth, which means that the work that is completed will have no future moisture problems. The low bidder, Ondra-Huyett Construction Services, LLC, withdrew their bid as there was a mathematical error found in their documents. The contract will be awarded to Michael R. Serfass Contracting Company. Mr. Spadafora noted that he did check qualifications of this company and there did not seem to be any problems with past work. If during the removal there are more moisture problems found, the contractor’s pricing will be calculated by the unit pricing that was included in the bid documents. This was included as a measure of cost control.

Mrs. Cann asked if this work will be completed over the summer months.

Mr. Spadafora answered that the project is slated to start approximately two weeks after the students and teachers have left the building and will be completed by August 14, 2010. This will allow time for furniture, books, and other classroom supplies to be moved back into the classrooms.

Mrs. Follweiler asked if the firms all bid on the individual unit prices.

Mr. Spadafora said that D’Huy Engineering, Inc. made a list of the materials they thought could possibly be found to have moisture damage during the project. He said that the numbers for the unit pricing were very competitive. It was made clear to the contractors at the pre-bid meeting that they should not low-ball their numbers for the base bid as there may be additional problems encountered.

Mr. McKeon asked what kind of warranty would be included with the work.

Mr. Spadafora said once the remediation portion of the project is completed, the project is considered to be a normal construction project and there will be a one year warranty on the work. Mr. Spadafora said that this project will be done in conjunction with 1 Source Safety & Health, Inc. as they will perform air clearances once the moisture damaged materials are removed. Only after the clearances are obtained will the construction work start.

Mr. Gilliland said that the maintenance department will remove all the plumbing fixtures and reinstall them after the project is completed. This will help to save money.

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

AGENDA ITEMS FOR THE MAY 17, 2010, REGULAR BOARD MEETING –

After discussion, the board committee agreed to bring the following agenda items to the May 17, 2010, Regular Board Meeting:

- A. Award of Bids for Chemical Dispensing System Products – Bids Opened April 22, 2010
- B. Award of Bids for Freemansburg Elementary School Moisture Damage Remediation and Reconstruction – Bids Opened April 29, 2010

COURTESY OF THE FLOOR TO VISITORS –

Steven Antalics, 737 Ridge Street, Bethlehem: Mr. Antalics told the board that the only difference between the energy services RFP that was discussed last year and tonight was the number of days between them. He said that Mr. Gilliland is responsible for facilities, and was charged with the task of reviewing the responses and bringing his best recommendation back to the board. He said that the whole energy services RFP process was a simple process. He said that the board should act like a corporation and simplify the matters rather than to go through the repetitious discussion that has been held over the past few months.

Lawrence Eighmy, 301 Broadway, Bethlehem: Mr. Eighmy stated that he would like to point out that an audit means that a third-party, unaligned review of the district's energy spending policy is to be completed. He said that if the district thinks about energy as a parameter of stewardship of physical plant, it is a very good quantitative indicator. He said that the second point of an audit is to create a "road map" of how to reduce energy consumption as well as how to link energy stewardship with environmental stewardship. Also, it should show how to connect the school buildings to the education of the students to teach about a carbon footprint. Mr. Eighmy believed that Mr. Gilliland was correct in saying that this was an opportunity for our district to save energy. If an auditor was to come that was an ESCO, you would not have an unbiased view by definition. Mr. Eighmy also said that he would like to educate the board on the PPL incentives. He said that "time is of the essence" as the Act 129 provisions within PPL's services will provide

up to \$100,000 to be contributed to an energy audit that meets its technical survey requirements. He believed that the solution was to use the PPL money to hire an audit firm that would meet the requirements of this program. He said that this would mean that the RFP would need to be recast; a funding source would then be there, and it would allow a third party to conduct the audit. Mr. Eighmy also asked the board to rescind the action taken at the Regular Board Meeting in regard to the solar grant submission. He said that it is “ill advised to break apart an energy strategy into” components. He said that from his understanding of tonight’s conversations, D’Huy Engineering, Inc. was providing the engineering services for Tangent Solutions which was part of the review of the RFP. Companies cannot match up on a cost basis when part of the evaluation is being paid for out of “a different pocket”. He believed that this was unfair to his firm.

OPEN FORUM –

None.

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