

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING
October 13, 2014**

**Carl T. Secor Administration Building – Board Room
5:30 P.M.**

Minutes

- I. The Chairman, Robert Gress, called the Finance Committee meeting to order at 5:30 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. Board Committee members present were: Ronald Bradley, Robert Gress, and Gary Summers. Ryan Stevens was absent.

School Personnel Present: Jeffrey Bader, Brian Borosh, Sharon Laverdure, Thomas Lesniewski and Patricia Rosado.

Community Members Present: Larry Dymond

III. APPROVAL OF AGENDA AND MINUTES

Motion was made by Gary Summers to approve the agenda for October 13, 2014 and with members of the Committee reserving the right to add to the agenda and take further action in the best interest of the District. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

Motion was made by Gary Summers to approve the minutes of September 9, 2014 meeting. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

IV. ITEMS FOR DISCUSSION:

a. Bus Bid Results

Mr. Bader presented the bus bid results. The lowest bidder for the 72 Passenger Buses was Wolfington. Mr. Bader spoke to Mr. Sutjak to see if the Wolfington bid contained any significant deviations from the specifications in the bid package. Mr. Sutjak said he did not see any. They are looking at two options for the buy-back program either 4 years or 5 years. Wolfington's price is lower than in prior years. The purchase price of the buses is up a little but so is the buy-back price. This is a good time to get the best price from the factory. The lowest bidder for the 48 Passenger Buses was Rohrer. Rohrer was a little bit less expensive and there was no significant difference from the specs. The reason Rohrer is different is because it does not include a performance bond but it does include the buy-back option. At this point the recommendation is to award Wolfington the 72 Passenger Buses and Rohrer the 48 Passenger Buses. The only issue to discuss would be whether the Board would want to hold the buses 4 or 5 years. Mr. Bader said we are looking to get breathing room to equalize the amount of buses we buy from year to year in order not to smooth out the budgetary needs. Mr. Bradley asked if anyone spoke to Rohrer regarding the buy-back program since we had difficulty with Wolfington in the past. Mr. Gress said

we had no problems with Wolfington. Mr. Bader said the cost was the only problem but this year their price is reasonable and the lowest bid. In the past they wanted \$9,071 but with this bid, the price after buy-back would be about \$6,300 per bus. Mr. Bradley said that in the past 3-4 years, Wolfington charged excessive prices. He feels that they took advantage of us. Mr. Summers said Wolfington now has competition; therefore, they need to be more aggressive. Mr. Bradley said he prefers to deal with Rohrer because he does not trust Wolfington. Mr. Gress said we are discussing Wolfington who came in the lowest bidder for the current bids not past bids. Mr. Summers asked which would be better for the bus-buy-back program, four or five years. Mr. Bader said that the vehicles are warrantied for five years, so we should not see extra cost by going to five years. Bus services go up every year and the district is looking to extend to five years. Mr. Summers asked based on our current fleet and what we have to turn back, would it make better sense to go four or five years on this current round. Mr. Bader said with five years, it gives us more flexibility. Mr. Gress said we should be looking at a central bus depot and going with natural gas buses. Mr. Summers said that it is only for one year. He recommends that we continue to do what we have been doing since this is what we know. Mr. Gress asked if we check the State contract prices. Mr. Bader said he is not sure if there are any school bus vendors on the list because it is for purchasing and not necessarily for a bus-buy-back program.

b. Tire Bid Results

Mr. Bader said that the tire bids were opened at 2:00 p.m. today. They had four vendors and probably 15 different make and models with multiple options. The Mechanic Supervisor, Ronnie LaBar, was not in the office today; therefore, we could not check to see which tire would be best. Mr. Bader would like to get his input before bringing the final decision to the committee members. It can wait until next month or the decision can be brought to the entire Board on Monday. Mr. Gress asked if there are any time constraints. Mr. Bader said we can wait until next month. Mr. Bradley said we should not rely on one person but look into getting input from an expert. He would like to see fairness across the board. Mr. Bader said we can bring someone in if that is what the Board wants. Mr. Summers asked if we got more people to bid. Mr. Bader said we got three new vendors. Mr. Summers suggested waiting until next month since there is no timing issue.

c. Act 1 Homestead/Farmstead Mailing

Mr. Bader said that by the end of December, the district needs to send letters to any homeowner that is eligible under the Act 1 Homestead/Farmstead regulations and that does not already have an exemption. We have used Berkheimer in the past and this year there is an increase of 8 cents per mailing. The district has chosen Option B (Printing, mailing, forms and envelopes: includes generic letter, pre-populated data on application (including SD name and property owner information) and #10 double window outside envelope. Mr. Summers asked if this would cost 27 cents a piece. Mr. Bader said yes, they print and mail the letters. Mr. Summers asked who would receive this letter. Mr. Bader said it would go to new homeowners or to those whose qualification has expired. Mr. Bradley asked how do we know that everyone is receiving the letter. Mr. Bader said that the County maintains the records; therefore, the list comes from them. Mr. Bradley expressed his concerns that some homeowners have told them that they did not receive a letter.

d. Resica Playground Mulch

Mr. Bader said that due to the delay in the Resica Playground project, the District purchased the mulch that was delivered for playground use. The district spread the mulch

that was delivered and paid for. Unbeknownst to the district, the balance of the original order was not cancelled and has now been delivered. The Resica Playground Committee originally ordered 458 cu yds of mulch with 273 cu yds initially delivered. The remaining 185 cu yds has now been delivered. Rather than let the mulch sit through the winter, Mr. Bader spoke to Mr. Eppley who said that the district can use it since the other amount was spread thin. He confirmed with the company that no more mulch will be delivered.

e. MCTI Full Day Program

Mr. Gress said that Monroe Career & Technical Institute (MCTI) is looking into purchasing an elementary school for the purpose of expanding the MCTI into a full day comprehensive program. There are still many issues to discuss. Mr. Summers said there are many issues pending to make the MCTI into a comprehensive full-day program. A Pocono Mountain School District member came to discuss the building that is available but Pocono Mountain is interested in getting rid of their space. The matter is that this is a costly project and sending districts do not have the money to pay for it. An awful lot of work needs to take place before anything can transpire. Mr. Gress said there are preliminary questions that need to be answered with reference to cost. The State Representatives are behind this project which means it will probably take place and then the districts will have to pay. Mrs. Laverdure said this will be a long-term commitment. Mr. Summers asked how the Superintendents communicate about this issue. He suggested that the Superintendents speak about the cost and to see if it is appropriate, as well as discuss their vision for the project. He feels this is a long ways away before it is completed. Mrs. Laverdure said that she speaks about the implementation of the MCTI full-day comprehensive program at her Superintendents' meetings. A survey was sent out to students and parents without discussing the financial aspect of the project. Mr. Summers said regardless of the cost, if there is no interest then we should not go any further. We cannot discuss curriculum or finance if there is no interest. Mrs. Laverdure said that this project has been in the works for a long time. The design is done. Mr. Gress suggested that the curriculum be looked into to make sure it coincides with the regular school curriculum.

f. LERTA Update

Mr. Gress said that we are waiting on the Commissioners who are supposedly getting a meeting together where the Board members and solicitors will be invited to further discuss LERTA. LERTA will remain on the agenda each month to report any updates.

g. CGI Communications, Inc.

Mrs. Laverdure said she received a letter from Mr. Phillips, from the Borough, who recommended speaking to a CGI Communications, Inc. representative. She along with Dr. Lesniewski and Mr. Borosh met and discussed a three-year promotional campaign conducted by CGI Communications at about a \$5,000 cost. She is not asking for this project to be paid with taxpayer's money but will call the Education Foundation Board member, John Schoonover, to see if they will be willing to fund this project. She believes this project will help the School District and the Borough to put their best foot forward in displaying what East Stroudsburg is all about. This will help people to get involved in our communities. Mr. Gress asked if the Borough has this program. Mrs. Laverdure said they do. Mr. Gress asked how many people look at the website. Mrs. Laverdure said she is not sure. Mr. Summers said this is something new for community development. Mr. Borosh said that it is a live video that will be placed on the site. Mrs. Laverdure said a live professional video will be displayed. Mr. Borosh said that it will be from about 1 to 2

minutes long. Mr. Gress said that the County has one as well. Mrs. Laverdure said it will display all of our schools; therefore, be district wide. Mr. Summers asked if other public schools will be included. Mrs. Laverdure said not just our ten schools. Mr. Summers feels that is a sales tool to bring potential businesses to this area. Mrs. Laverdure said that this is open ended work for residents, businesses, etc. Mr. Bradley asked if the public will be able to interact like at Board meetings. Mrs. Laverdure said this is just for the school district to display their information. She would like to push this forward for approval as long as she can secure the funding. Mr. Bradley asked if the Pocono Chambers would be part of this video. Mrs. Laverdure said it would only be for the school district. Mr. Bradley asked if we would get any feedback. Mrs. Laverdure said it is just a video displaying what the school district is about.

h. Pay App #4 Myco Mechanical for JTL

Mr. Bader said that the pay application #4 from Myco Mechanical for the J. T. Lambert project came in after the Property/Facilities Committee met. Mr. Summers said that everything is on schedule and they are doing a good job. He does not see any reason why we can't move the payment forward.

i. Recommendations from Property & Facilities

i. Pay App #1 Wind Gap Electric – JTL

ii. Midlantic Engineering Concrete Inspections – Bushkill

Mr. Summers said everything is moving forward with the J. T. Lambert and Bushkill Elementary projects; therefore, there is no reason not to approve payments.

iii. RFP Alarm Monitoring

Mr. Bader said that the Property/Facilities Committee recommended that the district seek an RFP for Alarm Monitoring to see what pricing comes in. They will plan to have all RFPs in by November if not definitely by the December Board meeting. Mr. Bradley questioned the fire alarm system up north. He was told that is not operating correctly. Mr. Bader asked what is the issue with the fire alarm system. Mr. Summers asked what was installed. Was it the panels or individual devices? Mr. Bader said the rewiring was done to the new panels. Mr. Bradley asked if everything is working. Mr. Gress said they should be because they were inspected. Mrs. Laverdure said they do not leave without inspection is completed. Mr. Bader asked Mr. Bradley to give him specific issues and he will look into it.

V. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

A. Mr. Larry Dymond had questions/concerns on the following issues:

1. He suggested that the students prepare the video instead of contracting with CGI Communications. Mrs. Laverdure said that they spoke about this but the difference is that the district will be connected with outside avenues to display our schools. With the Education Foundation's help, we can obtain a bigger outreach. Mr. Borosh said that if we go through the borough, we can get ten videos which say ESASD. This brings exposure to the district where if we keep it in-house, it will be limited. Mr. Dymond believes this should be an in-house project.
2. School buses should only be obtained for four years. Four years is marginal for breaks, exhaust replacement, muffler problems, etc. There is a lot of stuff that goes bad that is not on warranty. Mr. Bader said these are routine maintenance that do not change significantly from year four to year five. Mr. Bradley asked who assumes cost of maintenance. Mr. Bader said

the district does. Mr. Bradley asked how much does it cost us. Mr. Summers said we should be able to see the difference in cost when retaining the bus for four years or five years. Mrs. Laverdure said it is not necessarily the years but the mileage of the buses that makes the difference. Mr. Gress said that we recently went to four years with the buses because we felt it was best. Now the budget got out of sync. Mr. Summers said we should stay with four years until we can see the cost for five years. Mr. Bader said we cannot make a comparison until we make the switch to five years. Mr. Gress said some extra expenses may be in tires, windshield wipers, mechanics time, etc. Mr. Summer asked for the cost for purchasing buses and buying them back after four years and five years. Mr. Bader said the cost is the same for four years and five years, \$6,340. Mr. Bradley said tires may be a large expense. Mr. Dymond said we never send tires back on warranty. Mr. Summers and Mr. Bradley recommended turning the buses back after four years.

3. Mr. Dymond suggested that the district make sure the Wolfington has correct engine. Mr. Bader said they will need to have as indicated in the specs.
4. Mr. Dymond said some items on the agenda are too expensive like the \$5,000 for tank removal, concrete work at \$55,000 and fencing at \$29,000. Mrs. Laverdure said all his questions/concerns were discussed at the Property/Facilities Committee meeting. Mr. Gress said that items were bid out and the prices are part of the bid.
5. Mr. Dymond said he hopes that items are being fenced to avoid damage. Mr. Bader said that work areas are secured.
6. Mr. Dymond said that Midlantic Engineering is an independent inspector and now they are going to do the job. Mr. Gress said that Mr. Bader can forward to Mr. Dymond answers to any of his concerns.

VI. **ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION**

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the lowest responsible bid from Wolfington to provide twenty-one (21) 72 passenger Type C school buses for a four (4) year buy-back program at a purchase cost of \$79,500, a buy-back price of \$54,140, and a net cost to the District of \$25,360 per bus with a \$.35/mi excess mileage fee and Rohrer to provide two (2) 48 passenger Type C school buses equipped with wheel chair lifts for a four (4) year buy-back program at a purchase cost of \$86,991, a buy-back price of \$60,556, and a net cost to the District of \$26,435 per bus with a \$.35/mi excess mileage fee. Motion was seconded by Robert Gress and passed 2-1. Ronald Bradley voted no.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the proposal from Berkheimer One Source for the printing and mailing of the Homestead/Farmstead Application notices as required by Act 1 of 2006 at a cost of \$.273 per application. Motion was seconded by Robert Gress and carried unanimously, 3-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the purchase of 185cy of mulch from the Fibar Group at a cost of \$4,086.20. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval a video production by CGI Communication showcasing the district at a cost of \$4,995.00 for a three-year term contingent upon funding being secured through the East Stroudsburg Education Foundation or other outside source. Motion was seconded by Robert Gress and carried unanimously, 3-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the Pay Application #1 from Wind Gap Electric in the amount of \$36,360.00 and the Pay Application #4 from Myco Mechanical in the amount of \$198,991.66 for the JTL HVAC/lighting project. Motion was seconded by Robert Gress and passed, 2-1. Ronald Bradley voted no.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the proposal from Midlantic Engineering to conduct materials testing and construction inspections for the Bushkill concrete project at a cost not to exceed \$9,000. Motion was seconded by Robert Gress and passed, 2-1. Ronald Bradley voted no.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider the approval to seek requests for proposals for District-wide alarm monitoring services effective January 1, 2015. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

VII. **NEXT MEETING** – November 10, 2014 at 5:30 p.m. in the Administration Center Board Room.

VIII. **ADJOURNMENT** - 6:32 p.m.

Respectfully submitted,

Patricia L. Rosado,
Board Secretary