

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING**

August 13, 2018

Carl T. Secor Administration Building – Board Conference Room

5:30 P.M.

Minutes

- I. The Chairman, Lisa VanWhy, 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:** George Andrews, Larry Dymond, Rich Schlameuss and Lisa VanWhy.
- School Personnel Present:** Brian Baddick, Jeff Bader, Fred Mill, William Riker, Patricia Rosado and Paul Schmid.
- Solicitor:** Chris Brown
- III. **Community Members Present:** None
- IV. **APPROVAL OF AGENDA AND MINUTES**

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to approve the agenda for August 13, 2018 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 Rich Schlameuss and carried unanimously, 4-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to approve the minutes of the July 9, 2018 meeting. Motion was seconded by Rich Schlameuss and carried unanimously, 4-0.

V. **ITEMS FOR DISCUSSION:**

- a. Replacement of Food Service Delivery Truck

Mr. Schmid said that currently the Food Services Department has four vans. They are used for the North Campus, J. T. Lambert and two for the South Campus (one is used by the courier). The vans are used to transport food and supplies daily. The courier van transports mail, boxes and equipment. The 2000 van needs to be replaced. They would like to replace the van with a box truck that has a lift gate and share the cost with the Transportation Department. There would not be any cross contamination since no fuel based equipment would be transported in this truck. The Food Services Department would have priority use. Mr. Schmid asked permission to go to bid or look to purchase a truck through the State Contract. The Committee had concerns regarding cross contamination and suggested not sharing the cost with the Transportation Department. The Committee instructed Mr. Schmid to prepare all specs for a propane and gas truck. He can then get bids and look through the State Contract and report back to the Committee.

b. Smithfield TIF

Mr. Chris Brown said that the Township will be voting at a public meeting on the TIF Plan at their August 28th meeting. Changes can still be made by the district. The Board just approved the overall plan and not specifics. Mr. Brown suggested if the Board members would like to change their mind on the housing aspects of the plan, they should inform the group sooner than later. The district has the legal right to make changes until the final agreement is signed. The Committee expressed concerns with the housing part of the plan. They suggested putting limitations and set a timeline for the completion of the project. The funding of the project is a concern. Mr. Bader said the problem is that the funding cannot be approved until all parties have agreed on the project. Mr. Brown said if the Township votes yes on the project, he will meet with Tom McIntyre and discuss the changes. We should let the TIF Committee know of our intentions sooner than later out of courtesy.

Property & Facilities Items

v. RFP for a Special Solicitor

Mr. Bader said that some items were added to the RFP after the Property/Facilities Committee meeting. Mr. Brown and Mr. Bader added that the firms had to have construction law experience, five references are needed and the firm must practice in Pennsylvania (PA) by having an office in PA. The Request for Proposal for a Construction Counsel Legal Services will be advertised on the ESASD Website and the PA Bid website. If anyone else has suggestions on what firms they would like the district to send the RFP to, they should let Mr. Bader know.

vi. HSS & JTL Stage Floors

Mrs. VanWhy said that J.R. Flooring, who was approved to do the work on the J. T. Lambert Intermediate Floors, informed the district that they can no longer do the project. What is the district's next step? Dr. Riker said the district will need to rebid both jobs. The project will not be able to be done until next summer. Mr. Brown said the district has a claim against J.R. Flooring. The district can hold them responsible for any cost over the \$15,000 that they agreed to work on the project for because it's a breach of contract. Mr. Brown advised the Committee to move on as a lesson learned. Since they are a small firm, the district will incur expenses in legal fees and may not recover any funds. The Committee suggested that the district hire D'Huy Engineering to investigate the floors and write the specs. The project can then be approved during the middle of winter to be completed during the summer of 2019.

c. TSA Consulting Group Administration Agreement

Mr. Bader said that the TSA Consulting Group was contracted by the School District to serve as a third party administrator for all employees for a pre-tax account. TSA charges a \$2 per employee fee that the district has been paying. It costs the district about \$11,000 per year. Most districts have the company that the employee uses pay the fee. Mr. Bader asked if the Committee would like the district to continue paying the fee or if they would prefer for the provider to pay the fee. The Committee agreed that the provider should pay the fee in order to save the district about \$11,000 per year. The only company that may have an issue with this fee is Valor. If that is the case, the district can grandfather the employees that already use Valor and will continue to pay their fee.

d. Board Treasurer for the 2018/2019 Fiscal Year

Mr. Bader said that originally Bob Huffman was the treasurer but when he was appointed to the Board, Tom McIntyre replaced him. The district now has to appoint a treasurer for

this school year. He asked if the Committee would like to appoint a new person like the Assistant Financial Officer, Dawn Nickischer or reappoint Tom McIntyre. The treasurer has signature authority and works on the Annual Financial Report for the auditor. It is a bonded position. The Committee decided to appoint Dawn Nickischer as the new treasurer for the 2018-2019 school year.

e. 2019-20 Bus Pricing –

Mr. Bader said that he obtained pricing for the bus purchases for the 2019-2020 school year. The total cost of 21 -72 passenger buses is \$1,925,805 at \$91,705 each. The total cost for 2 - 30 passenger buses is \$204,930.00 at \$102,465.00 each. Although there was a slight increase in prices from this year, if we order prior to January the district will save about \$3,200 per bus prior to the 2019 price increase. The pricing is through the NJP Sourcewell cooperative bid. The purchase is for a total of 23 buses with Blue Bird. Mr. Bader also presented a comparative quote from New York Bus Sales. A 72 passenger bus costs \$96,312.09 and the \$106,279.56, which is higher than the Blue Bird's quote. The funds will come from the 2019-2020 budget for delivery during July 2019. The district will apply for a fuel grant this year in December and every year as long as they can. Dr. Riker said the district is looking into the possibility of 3-tier busing for next year. This will reduce the number of buses. The start and end time will differ. All drivers will become 8-hour drivers. The savings can be up to one million dollars per year. Mr. Bader said the district is working on spreading the mileage out of each bus. Instead of selling the buses, they are keeping them longer in order to manage the fleet better.

f. Property & Facilities Items

i. JTL Masonry – Jones Pay App#7

The \$17,977.85 amount to Jones Masonry Restoration Corporation is the final payout on the J. T. Lambert Masonry project.

ii. JTL Masonry – D'HUY Engineering

Payment in the amount of \$146.65 to D'Huy Engineering for document review on the J. T. Lambert Masonry project.

iii. HS North/Lehman Removal of Paint Chips - VLS Painting - \$4,316.60

Dr. Riker said he gave permission for the removal of the paint chips to begin in order for the project to be done before the students return to school.

iv. Seal Coating parking lots at the Administration Building and High School South – Karl Moeller - \$10,547.88

The seal coating was completed at the Administration Building and H.S. South parking lots.

vii. SuperHeat

Mrs. VanWhy said that she spoke to Scott Ihle about the job beginning before the students return to school. Mr. Bader said that it was Board approved but now the district is working with SuperHeat and the insurance company. It will not cost more if it is done after school starts and it won't take long to complete.

VI. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

None

VII. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION

1.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Rich Schlameuss to recommend that the Board consider for approval the Administration Services Agreement with TSA Consulting Group to administer the District's 403(b) plan and for the period August 1, 2018 through July 31, 2019. Motion was seconded by George Andrews and carried unanimously, 4-0.

2.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Rich Schlameuss to recommend that the Board consider for approval the appointment of Dawn Nickischer as Board Treasurer for the 2018-2019 School Year. Motion was seconded by George Andrews and carried unanimously, 4-0.

3.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to recommend that the Board consider for approval following Property/Facilities Committee Items. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

- a. The Pay Application #7 (Final) from Jones Masonry in the amount of \$17,977.85 for the JTL Masonry Project.
- b. The payment of invoice #47314 from D'Huy Engineering in the amount of \$146.65 for the JTL Masonry project.
- c. The proposal from VLS Painting in the amount of \$4,316.60 for the removal of paint chips in the High School North and Lehman cafeteria.
- d. The proposals from Karl Moeller Construction in the total amount of \$10,547.88 for sealcoating the parking lots at the Administration Building and High School South Main entrance.
- e. The advertising of the Request for Proposals for a Special Construction Counsel.

VIII. NEXT MEETING – September 11, 2018 at 3:45 pm

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Rich Schlameuss to adjourn. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

IX. ADJOURNMENT 7:07 PM

Respectfully submitted,
Patricia L. Rosado,
Board Secretary