

**EAST STROUDSBURG AREA SCHOOL DISTRICT  
BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING  
August 14, 2023  
Administration Center Board Room and Via Zoom  
5:30 PM**

**MINUTES**

- I. The Chairperson,** Rebecca Bear, 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, Rebecca Bear, Wayne Rohner and Richard Schlameuss.
- III. School Personnel Present:** Peter Bard, Shoukry Fauntleroy William Riker, Patricia Rosado, and Bill Vitulli.

**School Personnel via Zoom:** None.

- IV. Community Member In Person:** Larry Dymond and Jacob Morris.

**Community Member via Zoom:** None

**Other In Person:** Keith Dougherty and Vince DeAngelis, Trane

- V. Approval of Agenda and Minutes**

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to approve the agenda for August 14, 2023, 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 Wayne Rohner.

Motion was made by Wayne Rohner to add to the agenda a discussion on a PA Fracking Resolution. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

The amended agenda was carried unanimously, 4-0

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Richard Schlameuss to approve the minutes of the July 10, 2023, Finance Committee Meeting. Motion was seconded by George Andrews and carried unanimously, 4-0.

## VI. Items for Approval

- a. Approve the quote for Everyday Speech - \$6,091.83  
Mrs. Bear asked is this a new item or an existing item. Dr. Vitulli said this is not one of his requests. Dr. Riker said it is an additional resource for mental health workers to use in Emotional Support classrooms. Mrs. Bear asked is this being paid through ACCESS or something else. Mr. Bard said it is being paid by their regular budget. Mr. Andrews asked what type of program is this. Mrs. Bear said it is for licensing and a Premium Student Management Plan. It creates unlimited saved lists, manage progress for unlimited students and sends unlimited homework assignments. Mr. Bard said it is for the elementary schools for support in the Special Ed Department. It adds an additional support for the students in their curriculum. It helps them with their speech. Mrs. Bear said it is a Social Emotional and Character Development Curriculum. Mr. Bard said this vendor is the lowest quote of the three that they received.
- b. Approve the quote for Superkids - \$6,017.00  
Mrs. Bear said she knows that the district has used Superkids before. This is for the renewal. Dr. Riker said that is correct. This is for the six elementary schools. Mr. Andrews said there are more Superkids items on the agenda. Mrs. Bear said we also use Superkids in other areas.
- c. Approve the quote from Stotz & Fatzinger Office Supply - \$16,235.80 (Paid with ACCESS Funds) (Special Education Classroom at South HS)  
Mr. Bard said this is for a new Special Education Classroom at H.S. South. This paid through ACCESS Funds. Mrs. Bear asked is this another Apartment Classroom or is it like the Learning Classroom at H.S. North. Mr. Bard said this is similar to the classroom they have built at H.S. North. I believe this was discussed two months ago by Mr. Baddick. Mr. Andrews said we are spending a lot of money on furniture. Mrs. Bear asked Dr. Riker I thought we were going to share the North Classroom with South. They said the South students would be traveling to North and North students to South to work in the different classrooms. Dr. Riker said I think that was a different program. I know what you are talking about, but I can't remember the name of that program. I don't think it was for this. This is just furniture. Mrs. Bear asked is this for general furniture and not the office one where we go back and forth. Dr. Riker said it is not the program that we use for placement. Mrs. Bear said this is just for regular classroom furniture. Dr. Riker said that is correct. Mr. Andrews said the list contains desks, chairs, and other items.
- d. Approve the quote for TeachTown - \$6,500  
Mrs. Bear said this item is another Social Emotion Learning product for K-8<sup>th</sup> grades. Dr. Riker said this is for use in the Life Skills and Emotional Support Classrooms in the Elementary and Intermediate schools. Mrs. Bear asked is this being paid through regular funds and not ACCESS funds. Mr. Bard said this is being paid through ACCESS funds. Mrs. Bear said we already have this program because it says we are continuing to use it. We are renewing it. Mr. Bard said

when you look at the account and see 891 that is an ACCESS account. Mr. Andrews asked what are you looking at. Mr. Bard said when you are looking at the 611 Form you see a three-digit code. It says 891 so that is an ACCESS Funding source.

- e. Approve the disposal of the 2008 White Ford Expedition Police Vehicle to Harry's U-Pull it of Allentown for \$900.00 (highest of three quotes received by Chief Mill)

Mr. Bard said the Board approved a purchase of a police vehicle. This quote is to dispose the one that we replaced. The frame is rotted so we cannot sell it. Mrs. Bear asked are they paying us \$900. Mr. Bard said they are paying us \$900 to get rid of it. This is the highest of the three quotes that we received. The other two quotes were \$400 and \$500; therefore, this was the higher of the three. I just need Board approval to dispose of it. Mrs. Bear said just make sure they are paying us and we are not paying them. Mr. Bard said they are paying us to take it out of our hands. Mr. Andrews said they are paying for the parts. Mr. Bard said the frame is rotted so it is not safe to sell it. Mr. Rohner asked have we purchased the new vehicle yet. Mr. Bard said yes, the new gray vehicle is out in the parking lot. Mr. Andrews said I thought we would have to wait for it. Mr. Bard said it was ready to be picked up. We are just waiting for the retrofitting parts to go into it.

- f. Motion to approve the equipment and controls as presented from Trane for use in the Resica, Lehman, and North HS HVAC projects. Final agreements for the projects will be presented to the Board for approval (Total Cost of Project should not exceed \$7.5 Million, \$5.0 million is ESSER III funded). (VIII. f. and g.) (OMNIA Partners bid) (pending Solicitor Review)

Mr. Bard said the items VIII. f. and g. are included in the cost. I'll go much deeper into this for the committee. It is pending solicitor review. We are going to use the Omnia Federal Purchasing Guidance with this. If you look at the Property/Facilities Committee items that were approved, F and G is the high school equipment purchase of a little over \$4 million. The total project should not exceed \$7.5 million. The reason it is an estimate is because with the Board's approval and commitment of the project, Trane will then bring in the labor engineers and the entire project team to survey and scope the buildings again to get a final project cost under the Omnia bid award umbrella. They will be given the best price possible. We will then bring the total project back to the Board for final approval of the award. The reason we have to move quickly and need a motion to get these on the books is for timing purposes. The ESSER III money has to be spent by September 2024. We have \$5 million in our ESSER III budget allocated for these projects at Resica, Lehman and North. The Resica project would be to revamp the entire HVAC units. They will have a new HVAC system. At the North and Lehman Campus, it will be all new rooftop units. Those systems will be relatively brand new. The Omnia Program is similar to what the Board approved at the Bushkill Elementary School that is wrapping up now. I am asking the Board to approve this project. The Trane Representatives, Mr. Keith Dougherty and Mr. Vince DeAngelis are here tonight, in case you have any

questions regarding these projects. The max that we will pay out of our Capital Reserve for these projects is \$2.5 million. If we can take more out of the ESSER III funds, we will. I say that because there is \$880,000 that are budgeted for Para Educators this year. If we cannot fill any of those positions, we can use that excess money for the projects. Due to having a 40-week lead time on the equipment, I would like the Board to give approval in order to get this project started so that we can purchase the equipment. That would take us right to about April or May or next year. Mr. Andrews asked has this gone to Property/Facilities. Mr. Bard said it has and the Property/Facilities approved it. Mr. Andrews asked has the Properties and Facilities talked about the air handlers vs. heat pumps. Mr. Bard said I'll talk a little bit about the difference between the heat pumps, geothermal and what we have now and the reason why we don't want to segregate our systems. If we study the differences between the heat pump and HVAC unit, we will need to get an engineering firm in here to drill wells to see if our buildings can be sustained by a Geothermal System and that is not always guaranteed to be sufficient. There is also a lot of problematic issues. You will also need to have a backup to the Geothermal System which has to be either oil, natural gas or an HVAC Unit. The reason you do not want to get away from the system that we have in place, unless you are going to make an entire change, is because we have already invested about \$3 to \$4 million in revamping, fixing, training, and reconditioning our controls and systems. To segregate, change and make another system something different would not be in the best interest of the school district, because you would be having two different systems. Our maintenance guys would have to execute and have parts to do that with. The Board can do what they want but I don't think it would be in our best interest of the district to make a change. To study the Geothermal Process would take probably two to three years to do that. If we wait this long, we will lose the ESSER III money and I would rather not give money back to the Federal Government. I do not want to lose any of this money by doing that. I think this is the easiest and the best way to do this and it is in the best interest of the school district. Mr. Schlameuss said Geothermal is not necessarily the way to go with this due to the time constraints. Heat pumps versus an air handler or an air conditioning system are two different systems. I would like the Trane representatives to answer. Does the heat pump system have a different operational mode than a regular air handler? What are the elements that we are looking to put into this contract? Is there any way to do the cost analysis to say a heat pump might not or might be a better way to go and still keep up within a time frame? Will the controls that we already have in place be able to work the same way with the heat pump versus the other? My understanding of the heat pump is that it is a system that uses the differences in air temperature up to a certain point to create heat or air conditioning in a unit with freon or other chemicals. There has been all this movement towards heat pump so is that a viable solution for us that keeps us within a budget or is that something that is totally outside of what we are looking at?

Mr. Keith Dougherty from Trane said we can have a quick discussion on the difference between a heat pump and what you have. There are two styles of heat pumps. The one that Mr. Bard was describing, is a ground source heat pump. A ground source heat pump is a heating/cooling system that uses a type of heat pump to transfer heat to or from the ground, taking advantage of the relative constancy of temperatures of the earth through the seasons, which means you eject the heat into the ground essentially. We are not talking about that one. The other one is an air cooling where you use a fan, and the outside air is what you use to project the heat in. The thing that you are talking about is a standard air conditioner that you have in your house which has a compressor that runs and that provides the point for you. There's a reversing process that you to use that same compressor and your heat as well. Instead of having a furnace that uses any type of fuel to burn or could be electric as well, you are using a compressor to do the heating and cooling. The reason that application might not be the best solution for Resica Elementary is because that you already have a four-pipe system set up. When I say four pipes, I mean you have a chiller that does all of your cooling, and you have a boiler point that does all of your heating. It's centralized and the mechanical space runs it, and all the pipes are all ready to run to all of the air conditioning units. We are replacing the units at the locations. Mr. Schlameuss asked which units are we replacing. We are not replacing the chiller or the boiler. Mr. Dougherty said you are replacing the chiller not the boiler. The boiler was replaced in roughly 2011, which made it more efficient than before. That was replaced around 2000. It was actually an ESCO Project (Energy Service Companies). It was an energy savings project. That project essentially paid for itself over the life of the contract which is typically roughly 20 years. This discussion around heat pump or a four-pipe system has a lot of conversation around it. There is an idea and a funding metric around putting everything on the grid. Heat pump traditionally are electric only, so you use electric to do heating and cooling. At Resica Elementary, one of the benefits you had during the original design is that you have a thermal storage plant. This chiller acts a little differently than what you would see in a typical elementary school. It is actually running at night. You are freezing all of these ice panes and then during the day you are actually not even running the chiller. The ice plant is actually cooling the school during the day. You get the added benefits of the utility rates at night plus it's more efficient at night because it is colder at night so when you are trying to reject the heat into a cooler air it is just more efficient. We are going to maintain the same approach and you already have an updated boiler plant that was done roughly 10 years ago if not a little bit more efficient. We are changing all of the equipment as they sit so you are getting an added benefit of more efficient fans. We are actually improving the operation of the classroom units, so they are going to be able to not only heat and cool but also dehumidify with the way that we are approaching it. A traditional heat pump does not offer compatibility. You can look at more advanced heat pumps but then you are talking about installing, new duct work, and new piping. It would be a big undertaking to look at that. It is an approach and people are putting those systems in but given the timeline of the ESSER Funds and the timing of how long it takes to get this equipment, we are

kind of on that precipice of making a decision. There was an engineer that looked at many different systems when they went about looking at the upgrade and this is the system that they put on the drawings so that is how we are approaching it. Mr. Andrews asked you are talking about the humidity with the air conditioning units or are you talking about the ventilators. Mr. Dougherty said it is the unit ventilators themselves. Mr. Andrews said we just changed those out a couple of years ago. Mr. Dougherty said no. Bushkill Elementary and Resica Elementary are almost identical. Mr. Andrews said we did them at Lehman and H.S. North. Mr. Dougherty said yes. The orientation of those particular units was not swapped out. We did a control retrofit. The ones we did at Bushkill Elementary we did the same approach. Essentially what happens is that 20 years ago when they were designing these units, it was a standard design that the heating board would be first and the cooling cooler would be second. That process allows you to heat and cool but not dehumidify. With the change in the product over the last few years and improvements in coil sizes, you can swap them now. You do have the added benefit of heating, cooling, plus dehumidifier. Mr. Schlameuss asked Mr. Bard does the ESSER money have to be committed, assigned, or spent by 2024. Mr. Bard said it has to be spent by September of 2024. The contract has to be completed by December 31<sup>st</sup>. That is why I want to have \$5 million spent and closed out. We can then use our capital projects fund to close out the project. Mr. Schlameuss asked Mr. Dougherty, do you represent the vendor from Omnia or do you represent Trane. Mr. Dougherty said I work for Trane. Omnia is a Cooperative Purchasing Agreement. It is a federal one. It used to be called US Communities. We have a person at Trane that works with Omnia to make sure that what we are proposing meets all of the stringent guidelines around that pre-bid process. We applied and were approved to actually be an Omnia Contract. Mr. Schlameuss asked is that based on the procurement that was done at this particular school opened as a joint procurement to allow other people to piggyback on to that. Mr. Dougherty said how it works is Omnia puts out a contract for someone to bid to. We bid into the exact contract written on top of the proposal and we were awarded that contract. You do something similar when selling a single piece of equipment to doing a large-scale contract. Mr. Schlameuss asked is the insulation covered under that contract. Mr. Dougherty said, yes. Mr. Schlameuss asked is that typical of a contract like that. Mr. Dougherty said yes. Mr. Schlameuss said on Co-Stars, for example, you can get Trane as well. What is the difference? Mr. Dougherty said Co-Stars is a PA Contract that is done locally through Pennsylvania. I don't know the ins and outs of how we go through applying and things like that but from my perspective the Co-Stars process is more lenient where the Omnia process we have a representative from Trane that goes through all of the process, works with Omnia and then there is an approval process to get that done before we could even present. Mr. Bard said the difference between Co-Stars and Omnia is, Omnia is stricter when it comes to meeting the Federal Guidelines for awarding contracts much stricter than it is on State Guidelines. The US Communities and Omnia are much stricter. Mr. Schlameuss said and that is important because you are buying with the Federal Guidelines vs. the PA Commonwealth Guidelines. Mr. Bard said

ESSER III is approved and allowed to do that. We used the same Omnia procedure to do that Bushkill Elementary Project. We are using ESSER I & II money for that project. Mr. Andrews asked are we saving money using the Omnia Program. Mr. Bard said you save money on time. Basically, what happens is Trane is the prime contractor and they will get the installers and things will be under them as the prime contractor. What we would do through the bidding process is Trane would be the prime contractor and then they would bid out the same type of things and the pricing would be almost identical to what Trane would get under the Omnia process. It would save us time and money from advertising and having to go out and pay D'Huy Engineering to build the specs. It would be identical with what Trane has already done. We are duplicating processes, and they really do not need to be duplicated. Mr. Andrews asked is it cheaper than Co-Star. Mr. Bard said we cannot use Co-Stars for the Federal dollars. We are not permitted. Mr. Andrews said we cannot use Co-Stars because it is ESSER dollars. Mr. Bard said I have never used co-stars as a bid, but we can't use Co-Stars as the prime vendor. Mr. Andrews said that makes sense. Mr. Rohner asked does Omnia's partnership allow school districts to bid in a specification process. Mr. Bard said Omnia already does the bidding for us and does all the cost analysis that is required under Federal Guidelines to get Federal funding for particular items. When the auditor calls and asks for specific cost analysis for projects, they will give you a cost analysis breakdown of the bidding project which has to be done for all Federal bids. Mr. Rohner asked when D'Huy Engineering put the bid specifications together and Omnia went through those bid specifications, is that what this racing number is all about. Mr. Schlameuss said it is not a bid specification. D'Huy is not doing a bid specification. What they are saying to Trane is you have Trane equipment on our roof and we want similar to like. Because there is this contract that sits out there with Omnia, they are able to develop their specification as Trane to match that in order to develop a process for us. Their equipment is out on that contract, and we are able to basically purchase off that. Mr. Brown said another way to put it is Omnia already put the bid specifications together that did not specify a particular brand or anything like that. Trane was successful. Mr. Dougherty said we bid and we were awarded that right. Now we are able to use that with any type of agency that wants to work with us. Mr. Rohner said that is where the racing number is part of it. Mr. Dougherty said that is correct. That was the contract that they put on the street for us to bid to. Mr. Schlameuss said as part of that procurement they added additional language that allows other school districts or government entities to make purchases from that contract. Just make sure that our wages are correct. Mr. Dougherty said we will follow the correct wages. Does anyone have any questions around the heat pump or the technical side of it. Mr. Schlameuss said I guess what you are saying is that we are replacing our boiler. Is that what you are saying? Mr. Dougherty said no, everything but the boiler. Mr. Schlameuss said so you are replacing the Chiller. Mr. Dougherty said correct. Mr. Bard said they are replacing it at Resica Elementary not at Lehman or the North campus. Mr. Schlameuss said you are keeping those at the north campus. Mr. Dougherty said correct. Mr. Andrews said we are repairing them at the North Campus. Mr. Bard

said we will get to those during items of discussion. That is a separate project from this one. Mr. Schlameuss said what I am hearing is that with part of that there is a cost savings because those are really expensive items, too. Mr. Schlameuss said since we are not replacing the boiler, the heat pump situation along with the boiler would be used to supplement when the heat pump was not able to generate enough heat. Mr. Dougherty said if you were talking about a geothermal or a source of heat pump, that is correct. That becomes essentially your auxiliary key so if the ground source cannot keep up, you have a boiler that supplies heat. Mr. Schlameuss said so you still have to have one. In our setup, we have a geothermal system, and it is great until the middle of December and it gets very cold, the emergency heat kicks in. Mr. Dougherty said anyone that has a standard heat pump at their home, most of the time, they have an electric backup so that helps with the cold snap. Electric is the least effective way for heating. Heat pumps are very efficient. We sell those systems. Don't get me wrong. In certain applications that is a very good way to look at but for this particular school since it is already set up with support pipes everywhere and we are able to provide the change in the universe to add the additional dehumidification plus you have thermal storage, this is extremely the efficient way to cool because of the process that I described. You can run the chillers at night off hours and you can use them to pull through the day. You have an extremely efficient system there at Resica Elementary. Mr. Schlameuss said we are not replacing boilers at other buildings. Correct? Mr. Dougherty said correct. That is a replacement for pieces of equipment that are at the end of their life cycle. Those rooftop units are 20 years old and the facilities staff had identified those as items that are causing issues such as not functioning properly or leaking and things like that. Mr. Schlameuss said for us to go through another source of heat pump, you would also have to affect the chillers. Mr. Dougherty said yes. You would be adding other units to interact. Mr. Schlameuss said that would make obsolete some of the other technology that we already have that is efficient. Mr. Dougherty said correct. It is centralizing your chilled water and the two machines that are in a mechanical space versus having now nine or ten units. Mr. Schlameuss said those rooftops are not condensing units. They are taking air that we already create. Mr. Dougherty said they are taking air and cold water.

## **VII. Items for Discussion:**

- a. School Bus Leasing - Cost? Should we get proposals?

Mr. Bard said I met with the representatives from Brightbill Bodyworks, which is the company that supplies us with our 72 passenger school buses. I asked him for a cost proposal. We already know what the cost would be if we replaced 25 school buses. The original estimate was about \$3.2 million. We have to do that on a cyclical bases every five years or so. The ideal situation, if we do not run out of capital reserve, is leasing. It would put a staple number in our budget. It would be something we would do every five years. The proposal that he ran by us would be a municipal lease for 16 months with a \$1 buy out at the end of the lease. Obviously, we would not exercise the \$1 buyout because that would



honestly just put us back into a pickle with the buses. That is not what we want. We own approximately 172-passenger buses. This would be for the entire fleet including the Special Education buses. These are just some estimated numbers. Mrs. Bear asked how many buses. Mr. Bard said we have 100 72-passenger buses. We actually have more than that, but I just did the estimate on the 72-passenger buses. We will be looking at the entire fleet when talking about this. If we start with 25 vehicles for the leasing process, it would be about \$800,000 per year to replace the entire fleet at a four-year basis to replace the 100 72-passenger buses. It would be about a \$3.2 million budget impact. Mrs. Bear asked per year? Mr. Bard said it would be phased in during a period of four years. It would be \$800,000 one year for four years, \$1.6 million the next and so on. We will probably be needing more than that since we do have special education vehicles and vans that would need to be included as well. Once we phase that price in, it would be a standard price that would be a budgetary number that would be there every year. Every year we would phase in and would replace the number of vehicles as they mile out or age out. I wanted to bring this up now for Mr. Schlameuss since he knows about leasing. I had a leasing company last month that we tabled. I don't know if we are going to do that with our regular fleet, but this might be the fleet discussion to do because the vehicles on the school bus side need to be replaced every 3-5 years regardless of any event. The buses that our Transportation Director would like to replace are five years old. The warranties on the buses are five years so if we keep the vehicles until their warranties are out that would minimize our maintenance cost. Mrs. Bear asked would we stay with propane or will we go electric. Mr. Bard said I don't recommend going to electric for two reasons. Number 1 – the infrastructure to build electric is enormous. Number 2 – I don't really know how long the electric batteries are going to last. Propane is an emerging market in the school bus world, and it meets the clean air requirements that the EPA has set. Diesel is, from what I understand, going away in 2027. Mrs. Bear asked do we get a credit at the end of the lease. Mr. Bard said no. Mrs. Bear asked what would we do with them. Mr. Bard said you are going to replace the ones that we bought in 2023. Obviously with the supply chain, even the ones we approved last month, they are not coming in until March. Even if we moved forward with this, chances are they will not come in until the beginning of next year. Mrs. Bear asked what happens when the five years are up. Mr. Bard said in five years, we will then recycle those buses. We would dispose of them. We will not own them because we lease them. Mrs. Bear asked would we get a credit back since we are giving them back. Mr. Bard said we would not get any credit. We would just get another set up buses to replace the ones that are going back. Mr. Schlameuss said it is kind of what we did before. Before we would buy the buses and hold onto them like five years under warranty. In the fifth year, we would sell the buses. We would recoup the dollars from them. Mrs. Bear asked are we going to sell them since we own them for \$1. Mr. Schlameuss said no because we are not owning these. Mrs. Bear said you said we could buy them for \$1. Mr. Bard said we can buy them for \$1. We would own them but the problem with the propane buses is that they are only worth about \$15,000 when we buy them for about \$100,000. The issue is I do not know what the used market is

going to be in five years. Hopefully, if we lease them and we give them to the dealer, we do not want to own them but lease another 25 new buses and then we give them back. Mrs. Bear asked do we get a credit on the old buses. Mr. Bard said we do not need a credit because we are going to get another 25 new buses. Mr. Andrews said it is the same thing you do with a car. You lease a car, pay for it monthly, and you can give it back at the end of the lease. Mr. Bard said at the end of the lease, you have two choices. You can give the bus back to the dealer and you can sign a new lease for another 25 buses or you can buy the bus for \$1 and you own it. You are recycling your fleet. Mr. Andrews asked if we buy the bus to own it, and you went to buy a new bus that new bus is not going to be the same amount of the previous lease. Mr. Bard said the lease price may go up in five years. The problem is the use market right now is so bad for the propane buses. It is hard to find buyers for the propane buses that we have. The propane market has not matured right now. It may mature in a couple of years. Mrs. Bear asked what are we doing with our buses right now as we phase them out. Mr. Bard said there are companies that are buying them now, but it is not mature as it was. Mr. Andrews said we bought the buses so that we get seven years out of them. We are now saying we are getting five years. I do not understand why we are not getting seven years out of them. Mr. Schlameuss said the issue is this we have the bus that is in its fifth year, so you need to replace parts and to do major work to them to keep them on the road. Do we have enough maintenance staff to address those issues? Do we have enough money to start buying the parts to do the work that is needed? Do we shop out the work? Mr. Andrews said we thought we did. Mr. Schlameuss said we have not been spending money on that because we have the warranty on the bus. Have we done a price analysis to determine whether or not the lease, over a course of five years, is the value of that bus? We basically buying the bus at the lease price. If we buy the bus, even if we sell it for \$15,000 five years from now, we are still getting a little money back versus the lease where we are using the operating funds to pay for those buses versus the capital funds. Correct? I think what you need to do is sit down and say if we buy 25 buses or lease 25 buses, which cost of the lease over five years is X amount but there is no value returning to the district because we just leased them. If we buy the buses, at the end of the five years we will have an asset that we can sell for \$15,000 or \$18,000. It feels like there would be a little bit more money to the district if we buy the buses. When the district had the diesel buses and we sold them we were getting \$30,000 or \$35,000 for them. I am really surprised that this market is not taking off. It is very low emission. Mr. Bard said the buses meet the Clean Air Act. They meet the clean air emission standard that the State put out and that has to be met by 2027. The biggest concern that I have is if the Board would replace all of their fleet within the next 3-4 years, just using capital and not borrowing any money, you would probably spend around \$10 million out of your \$19 million capital reserve. If you spend all of the money down, what will happen when you have to replace them again in another four or five years? You would not have that reserve left to do it. If you had a lease number where you had that number placed into the operating expenses, you are able to absorb it into your normal operating expenses. It would be a little painful to start but it is a step

process. It will be there and at the end of the lease. You will be able to get another group of vehicles to replace them so that you are consistently getting newer equipment every five years or so. The reason that our vehicles don't last the seven years is because of weather, distance due to the size of the district, and the hills. We have a mountainous climate that is unforgiving. Mr. Schlameuss said the miles that we put on the vehicles are not that extreme. Mr. Bard said the issue that I am really talking about is getting the best plan that you would want. I can put together a cost analysis to show you what the cost will be. I can present it to you and that way we have an idea of what we can do moving forward. Mr. Schlameuss said the more important questions is if we say that we are going to hold on to these buses that we already own for another two or three years, do we have the mechanics on staff. The buses should last about eight years and you have to invest money into them for repairs. You don't know what is going to break and what needs to be repaired. There are three parts to this cost analysis. One is the lease. One is the buy. If we hold onto these buses for another three years, what is going to be the cost to the district for parts, labor, maintenance, or shopping it out, if we do not have the technical expertise on staff. What is this going to cost us? What is the kind of things that you are seeing know? What are your mechanical failures at this point? What are the things that we are seeing at the shops? Do we have buses that are not running right now because you are waiting for parts or service? Those are the kinds of things that I would like to know. Mr. Andrews said another thing to look at is if the expense will come out of the Capital Reserve versus the Operating Budget. Those are two different categories. Mr. Bard said I am trying to preserve the Capital Reserve in case something major were to occur and we will need funds to do other projects. Mr. Andrews said leasing is a fixed operating cost. Mrs. Bear said this expense would be included in next year's budget and not this one. Mr. Bard said correct. Mr. Schlameuss said one way or other we are paying for it. We are either going to put the \$800,000 or \$900,000 in our Operating Budget for next year or we can assign it to the Capital Budget. Either way we are going to pay for it. Do you bond it out? That may not be the solution right now but maybe in five years it is. Mr. Bard said leasing is done through a bank with a higher rate. I can probably get a better rate from the one they are using because our credit rating is high. I am trying to preserve our reserve because it is used for everything especially our credit rating. I will go back and get you more information. Next month or the following month, I will present some more information once I get the total picture of everything that our buses are going through right now. I may ask Ms. Robins to attend that meeting. Mr. Schlameuss asked do you want me to sit down with you and have a conversation. Mr. Bard said we can do that. Once I get all the information we can sit down together and go through everything.

- b. Trane Discussion - Vince DeAngelis, Josh Grice, Keith Dougherty  
Mr. Bard said the only thing I would like to address about the Trane discussion piece is the Trane R'Newals for North and Lehman. The R'Newals process at the North Campus has a huge chiller that has some leakage and some other issues that our mechanical staff has notices and Mr. Dougherty and Mr. DeAngelis can

interrupt me at any time if they would like to comment. There were some mechanical issues that are showing signs of potential major issues. The unit has a 20-year life cycle, but it's been 25 years since anything has been done on it. With the R'Newal Cycle, the process is that it goes in there to reset all of the seals and different coils. It gives us a new seven-year warranty on it and new serial number. It basically rebuilds the units from scratch. That price of \$389,000 was on the capital projects list that Dr. Riker has worked on. I have to say out of all of the districts I have worked at, Dr. Riker's five-year capital project is the most comprehensive list that I have seen put together by any Superintendent. This project has been placed in the plan for 2024. We have it on the books to be replaced after the winter of 2024 is over. Due to Trane's work schedule it has to be put on their schedule for now and it needs to be approved. That is a good way to go. This is why I placed it on the agenda and to see if you have any questions. Mr. Schlameuss asked what would a new unit like this cost versus the rehabilitation of it. Mr. DeAngelis said it would cost about \$3 million or \$4 million. Mr. Schlameuss asked are there any units that are more efficient for energy efficiencies or savings on our side rather than rehabilitating them for us to get back within ten years. Mr. DeAngelis said there would not be any energy savings because the water cools through the chillers. Mr. Dougherty said there is always an opportunity to improve energy efficiency but with efficiency comes a cost. Mr. Schlameuss said I get the increase in cost but if there is a savings over the next 20 years what is the cost savings versus replacing this at this amount. I am just throwing this question out there. Is there a way to get us a quick ballpark number whether it would cost us more this way. I do not know. I also do not want to delay the project. Dr. Riker said I think this is a great point. What is the life span of the R'Newals versus a new unit if the new one is going to give you 20 years and this one is going to give you seven. Mr. Schlameuss said we are not going to get a warranty for 20 years. Dr. Riker said no, but the lifespan of the new Chiller is about 20 years. Mr. DeAngelis said the warranty is seven years on the R'Newals but we have seen them last more years. Mr. Dougherty said we have seen them last two cycles of seven years and hopefully another 20 years. Mrs. Bear asked is renewal energy efficient as a new one or is it going to slow down efficiency. Mr. DeAngelis said what we do with a R'newal is that you are getting a new compressor. They have seen slight energy efficiencies to what it currently is. It is not going to be night and day. It is still the same chiller that you have. Over time, you will see improvements in energy efficiencies. Mr. Andrews said this has to be done because that chiller has been leaking since I have been on the Board. Mr. Bard said we are working with our energy consultant, and we are looking at potential energy savings projects down the road. They are in their infancy stages right now.

c. PA Fracking Resolution

Mrs. Bear said to Mr. Rohner you are looking for a letter that you would like to add on the agenda in order to give to the State. We have no control over whether or not Pennsylvania has a fracking tax. This request is similar to when Mr. Bard drafted a letter to the State regarding the taxes in the multi-county districts. Mr.

Bard said I sent an email, after Mr. Rohner suggested that a resolution go on the agenda, to PASBO to see if they have a draft resolution. They have not gotten back to me. Once I they do, I will circulate it to Attorney Brown and the Board for adoption at the August 21<sup>st</sup> Regular Board meeting. Mrs. Bear said as I understand it, we are the only State that does not charge a fracking tax and that is why Mr. Rohner asked for it to be placed on the agenda. Mr. Rohner said that is correct. I want to encourage the State to place a fracking tax. Mr. Schlameuss said this is about encouraging the Legislators to do something about that.

**VIII. Recommendations by the Property & Facilities Committee:**

- a. High School South Scoreboards for Baseball and Softball - St. Luke's funded - OES Scoreboards \$15,075.00
- b. High School North Scoreboards for Baseball and Softball - St. Luke's funded - OES Scoreboards \$15,075.00
- c. Lehman Intermediate Concession Shed - St. Luke's funded- Kramer Sheds \$3,521.00
- d. North and Lehman Storage Garage - St. Luke's funded - Kramer Sheds \$14,616.00
- e. Trane R'Newals - North and Lehman - TRANE - \$389,955.00
- f. High School North and Lehman Rooftop Equipment Replacement - TRANE - \$2,530,135.00
- g. Resica HVAC Improvements - TRANE - \$1,546,750.00

**IX. Recommendations by the Education Programs & Resources Committee**

- a. Global Vending Group - Book Vending Machines (8) - \$49,220 paid with Learning Loss Grant  
Mr. Schlameuss asked are we buying vending machines for all of the schools so that the student can put their money in them and buy a book. Mrs. Bear said I was also confused about this item. Dr. Vitulli said about a year ago, Mr. Sadowsky, Principal of Bushkill Elementary, suggested this idea as a support of positive behavior. The children will receive coins after they make a positive action. Mrs. Bear said it is similar to the Wolf dollars that students get rewarded with. Dr. Vitulli said they will get coins that they can place in the vending machine to buy a book of their choice. They can be library books or books they can purchase through Scholastics. It is for the Positive Behavior Support initiative. Mrs. Bear said that is a good idea. Mr. Schlameuss asked if they will be using the Learning Loss Grant to purchase the vending machines. Dr. Vitulli said that is correct. Mr. Schlameuss said there are eight vending machines. Dr. Vitulli said it is for the six elementary schools and two intermediate schools. All kids are excited about it, and we would love to encourage reading.
- b. CodeHS - Coding Software - renewal - \$7,200 paid by C&I
- c. McGraw Hill - Reveal Math Materials & Support - Pilot - \$8,731.80 paid by ESSER III  
Mrs. Bear asked which school is doing the math pilot. Dr. Vitulli said all elementary and intermediate schools are doing the math pilot.

- d. HMH - ELA Support & Materials - Pilot - \$75,310.00 paid by ESSER III
- e. Zaner-Bloser - Super Kids - Additional materials K-2 - \$23,155 paid by C&I
- f. SmartPass - Electronic Hall Pass System - Secondary Only - \$10,231.50 paid by ESSER

Mr. Andrews asked why are we going to electronic passes. What is the particular reason? Dr. Vitulli said the Principals along with Mr. Judd put a lot of research into this. This is the second year that the secondary schools have requested that I take a look at this. It is an electronic system that tracks who gets hall passes and when hall passes are issued. They can also track abuse of hall passes. I looked at this very carefully and discussed this with their staff. It is highly recommended by districts within our area such as Stroudsburg. Mr. Andrews asked will the system track a student wherever they are in the school. Dr. Vitulli said it does not track where they are, but it will let the teacher know when they go and come back. It does not track the student. Mr. Andrews said the badges are also electronic that gets them on the buses. Dr. Vitulli said this does not have anything to do with the buses. Mr. Schlameuss asked is it the same system. Dr. Riker said it is not the same system. Mrs. Bear asked but is it the same concept. Dr. Vitulli said it is the same concept. Mr. Andrews said but will they have another card to show as a pass. Mrs. Bear said I know what you are asking. The students have an ID number so they will log it in, and the teacher is able to see who got a pass during class. You can set up the system to ensure that two specific students are not out at the same time. Mr. Andrews asked do all of the students get a pass to log in. Dr. Vitulli said they do not get a pass; they use their id to sign in and out. Every child will have access to this system. Mr. Andrews said what I am asking is how many passes are in each classroom. Dr. Riker said there are no passes. You go in your Chrome Book and say I want to use the restroom. Mrs. Bear said they would use their student id to go into the system. Mr. Andrews said so there are not physical passes. They only have on id badge. Dr. Riker said they will get something for when they are in the hallway. Dr. Vitulli said I told the principals that I am willing to test this for a year and see how it goes.

- g. HMH - Read 180 Two-Year Proposal - Intermediate - \$287,216.43 paid by Access/ESSER III/C&I
- h. Zaner-Bloser - Super Kids - Grade 2 Backpack pages - \$6,514.75 paid by ESSER III
- i. Zaner-Bloser - Handwriting Materials Grades 3-5 - All Elementary schools - \$23,008.43 paid by ESSERs III (total of 6 separate similar quotes)
- j. Zaner-Bloser - Additional Materials (JM Hill) - \$11,789.80 - paid by ESSERs III
- k. Zaner-Bloser - Additional Materials (Bushkill) - \$10,574.30 - paid by ESSERs III

Dr. Riker said I would like to point out that all those items that we are enhancing or are instructional materials for students, only two of them have partial funding from school district funds. Kudos to Dr. Vitulli and his team, his principals because we are really leveraging the grant monies and ESSER funds to really bring a heightened level of materials for our students and our teachers.

## **X. Public Participation - Limited to Items of Discussion**

- A. Mr. Jacob Morris said I want to thank the Committee tonight and Chief Financial Officer and Senior Administrative staff to help expedite the drafting of this letter requesting consideration by our local electives as well as the State School Board and any other entities that may have an influence on such of an initiative for Pennsylvania to have a tax on fracking to help ameliorate the inequitable funding system that we currently have that has been found to be unconstitutional. I would like them for drafting it and taking it before the whole Board for final approval and dissemination. I was very impressed with the Trane presentation especially regarding Resica Elementary School. I am almost persuaded or mostly persuaded that the Resica project makes sense as specified. I still would like to see a life-cycle analysis. I am absolutely not persuaded on High School North and Lehman Intermediate that these multi-millions of dollars are well spent. I think there is a huge problem that the Board and Administration has not demanded a comparable life-cycle analysis on the utilization and installation of heat pumps. Again, I am saying life-cycle analysis not just initial cost. For the Board to vote to approve this contract, without a life-cycle analysis would be an abdication of their responsibility, duty of care and any other legal processes that may apply.
- B. Mr. Larry Dymond said I am curious because I have seen for many years all of these programs that we constantly buy. Do we have any statistics of what programs have worked or don't work or are we just throwing them out of the door each year. Mrs. Bear said some of them are renewals. We contract them for a specific time, and then we renew them. Mr. Dymond asked does anyone do any assessment of them to see how the kids are learning. Was it a good program or bad program? Mrs. Bear said these programs come up at the Education Programs & Resources (EPR) Committee on a regular basis. The teachers let us know how they are doing. The teachers that pilot some programs present to the EPR Committee and let us know how they are working out. Dr. Vitulli and his team do a very good job in assessing them. Mr. Dymond said I never remember seeing any of that when I was on the Board. Mrs. Bear said it is a new committee. Mr. Dymond said that information should be shared with the public. Mr. Schlameuss and Mrs. Bear said it is. Mr. Dymond asked where. Mr. Schlameuss said at the EPR Committee meetings. Mrs. Bear said we have a QR code on all of our presentations. You can go on the website and watch all of the presentations. Mr. Schlameuss said Dr. Riker and his team are diligent in making sure those programs work and to ensure we achieve the results that we are looking for. They decide whether to discontinue the programs or whether to fund them again. We are always looking at different programs. They test and test again. That is the whole process. Mrs. Bear said the EPR committee does a good job in presenting them. We have presentations every month of every level to see what is working in the classrooms and what is not. Don't you agree Dr. Vitulli. Dr. Vitulli said absolutely.

## XI. Advisory Recommendations for Consideration by the Board of Education

1.

### **RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Richard Schlameuss to recommend that the Board consider for approval the following items. Motion was seconded by George Andrews and carried unanimously, 4-0.

- a. Approve the quote for Everyday Speech - \$6,091.83
- b. Approve the quote for Superkids - \$6,017.00
- c. Approve the quote from Stotz & Fatzinger Office Supply - \$16,235.80 (Paid with ACCESS Funds) (Special Education Classroom at South HS)
- d. Approve the quote for TeachTown - \$6,500
- e. Approve the disposal of the 2008 White Ford Expedition Police Vehicle to Harry's U-Pull it of Allentown for \$900.00 (highest of three quotes received by Chief Mill)
- f. Motion to approve the equipment and controls as presented from Trane for use in the Resica, Lehman, and North HS HVAC projects. Final agreements for the projects will be presented to the Board for approval (Total Cost of Project should not exceed \$7.5 Million, \$5.0 million is ESSER III funded). (VII. f. and g.) (OMNIA Partners bid) (pending Solicitor Review)

Mr. Schlameuss said the motion for Trane is not for the actual approval but to proceed with the project. Mr. Brown said the Committee is committing to purchase the equipment upon presentation of final contracts. Mr. Andrews said who will get the final presentation. Mrs. Bear said the full Board will get it. Mr. Brown said I am sure it will come to the committees before the full Board. Mr. Brown said we will not have the contracts by next week; therefore, it will be back in September before the committee again. We need approval tonight before they can move forward with preparing the contracts.

Mr. Andrews said even though we are moving forward with this item, can we still get a life-cycle analysis and cost. Mr. Bard said I do not know if we have enough time to process that. Mr. Brown said the problem with doing that is do we count the \$5 million that you are throwing away because you went with the heat pump that is going to take an extra year or two to prepare. I can already answer that question based on the discussion. Mr. Morris said based on the discussion I had with Trane, they can have the report in 45 days. Mr. Schlameuss said we need it sooner than that. Mr. Dougherty said we went down the process with evaluating the two, the Board will need to approve the change. Mrs. Bear said then how long will that take. Mr. Dougherty said the initial process will take 6-8 months to put everything together because it is a process. Mrs. Bear asked the whole process and change would take 6-8 months. Mr. Dougherty said it would begin with the



analysis and then the change of process would take that long. Mrs. Bear said we would then lose the \$5 million if we change the process. Mr. Bard said yes, we would lose those funds because we cannot allocate the \$5 million to anything else. We will then have to do the whole project out of the Capital Reserve, which would be about \$7.5 million. Mrs. Bear asked did we pay anything for it yet. Mr. Bard said we have not spent amount on this project yet. Mr. Schlameuss said I understand Mr. Morris' comments and it is important but at the same time the infrastructure that we already have is based on what we have. We are replacing air handlers not units that are creating heat or air conditioning. It is systems that we already own and that are in place. We may want to tweak those as they come up. That is where we will get the value back and not on the rooftop units. Mr. Bard said my suggestion and recommendation to the Board is that we keep the systems that we have and renovate and restructure the systems that we have for air quality. That is what the grant was designed to do. I think the Board has exercised tremendous success at leveraging the money they have been given. I think we should continue to follow through with what we are doing with it. The humidity levels that they talked about that maintain humidity controls are extremely important in the buildings for obvious reasons. I think we want to continue what we are doing. I don't want to take a chance with systems that are not necessarily proven at this time. We can always make a change in 10 years or 15 years when the systems are more proven. At this particular time, I think the Board's best bet is to continue down this particular path. That is why this would be my recommendation.

2.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Richard Schlameuss to recommend that the Board consider for approval the following items, which were recommended by the Property/Facilities Committee. Motion was seconded by George Andrews and carried unanimously, 4-0.

- a. High School South Scoreboards for Baseball and Softball - St. Luke's funded - OES Scoreboards \$15,075.00
- b. High School North Scoreboards for Baseball and Softball - St. Luke's funded - OES Scoreboards \$15,075.00
- c. Lehman Intermediate Concession Shed - St. Luke's funded- Kramer Sheds \$3,521.00
- d. North and Lehman Storage Garage - St. Luke's funded - Kramer Sheds \$14,616.00
- e. Trane R'Newals - North and Lehman - TRANE - \$389,955.00
- f. High School North and Lehman Rooftop Equipment Replacement - TRANE - \$2,530,135.00
- g. Resica HVAC Improvements - TRANE - \$1,546,750.00

3.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval the following items, which were approved by the Education Programs & Resources Committee. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

- a. Global Vending Group - Book Vending Machines (8) - \$49,220 paid with Learning Loss Grant
- b. CodeHS - Coding Software - renewal - \$7,200 paid by C&I
- c. McGraw Hill - Reveal Math Materials & Support - Pilot - \$8,731.80 paid by ESSER III
- d. HMH - ELA Support & Materials - Pilot - \$75,310.00 paid by ESSER III
- e. Zaner-Bloser - Super Kids - Additional materials K-2 - \$23,155 paid by C&I
- f. SmartPass - Electronic Hall Pass System - Secondary Only - \$10,231.50 paid by ESSER
- g. HMH - Read 180 Two-Year Proposal - Intermediate - \$287,216.43 paid by Access/ESSER III/C&I
- h. Zaner-Bloser - Super Kids - Grade 2 Backpack pages - \$6,514.75 paid by ESSER III
- i. Zaner-Bloser - Handwriting Materials Grades 3-5 - All Elementary schools - \$23,008.43 paid by ESSERs III (total of 6 separate similar quotes)
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- k. Zaner-Bloser - Additional Materials (Bushkill) - \$10,574.30 - paid by ESSERs III

**XII. Next Meeting - September 12th, 2023**

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Richard Schlameuss to adjourn. Motion was seconded by George Andrews and carried unanimously, 4-0.

**XIII. Adjournment: 6:48 p.m.**

Respectfully submitted,  
Patricia L. Rosado  
Board Secretary