



## Finance & Operations Committee

January 20, 2022

# MINUTES

**Meeting called to order by Committee Chair:** Kehoe 5:05 p.m.

**Board of Education members present:** Kehoe, Christenson (5:20 pm), Brooks

**District staff present:** Merritt, Piesz, Kling, Gruszczynski, Salzer, Jory

**Citizen Representatives present:** Roderique **Other Citizen(s):** Bill Lorelli

**Presenting:** Brian Gesaman, Bill McCarthy from McCarthy & Smith; Derek Dinkeloo from TMP; Scott Wallace, Sheldon Stewart, and Nick Voisard from Durham

**Public Comments** - none.

**Approval of Prior Meeting Minutes** – January 6, 2022 - approved.

**Lift and Stage Equipment** – Mr. Dinkeloo shares the presentation that shows a few pictures of the proposed lift location. At the time of the bid opening, we did not receive any bids for these two bid divisions, so we went out and re-bid. Since that time we have modified the scope to include a three-stop lift. The result has been that we realized a cost savings compared to the original estimates. We are recommending Advanced Lighting and Sound for the stage equipment and A4 Access for the vertical platform.

**Award of Contracts for Bid Package T-2-** The attachment still includes some mention of the HS-2 work, so Mr. Salzer will separate the HS-1 and HS-2 pieces of the bid award, and revise the Bid Tabulation spreadsheet to clarify the different scopes of work. At this time we are only awarding the HS-1 portion related work. The recommendation is to award to Digital Age Technologies for the A/V equipment in the amount of \$69,718, Presidio for the physical security equipment in the amount of \$21,089.96, SoundCom for the paging speakers in the amount of \$2,550, and AmComm for the electronic clocks in the amount of \$5,687.41. This award totals \$99,045.37. This item will be presented for first reading at the Board of Education meeting on January 25, 2022.

**Bid Package HS-2 Update** – Mr. Gesaman from McCarthy & Smith has come back to report that the attempt to get a commitment from Kerkstra for the HS-2 project has not materialized as hoped. Mr. Gesaman remains in communication with Kerkstra, and they are fully expected to fulfill their contract obligation for HS-1. Mr. McCarthy reports that district legal counsel will be sending a letter to the bonding company to notify them. Mr. Kehoe asks that we notify Kerkstra ahead of time that we will be reaching out to the bonding company.

Moving forward, we will be moving back to a masonry/steel option for the natatorium and multi-purpose gym addition. Architectural drawings will need to be revised, and that is estimated to take place January-February 2022. Some bid divisions will need to be re-bid, with bid openings in March 2022, and contracts awarded April-May 2022. Construction is set to begin June 2022, and is estimated to be completed in April 2024. This represents a 4-5 month delay from the original project schedule.

There are two options for moving forward with the BP HS-2 existing bids. Option A is to go ahead and award the work that is not impacted by the precast concrete revision. This would allow us to secure the majority of the contractors. This would also allow the work on shop drawings and submittal drawings to proceed, and we can secure the materials and realize earlier delivery dates. McCarthy & Smith will survey the contractors to see if this is a feasible option. Option B is to re-bid all scopes of work, which would be reflective of updated drawings and pricing, but we may not be able to garner the strong amount of bids that we have already received. McCarthy & Smith will update the bid summary sheet to include some new estimates of what the costs and availability of masonry and steel may be in several months, as well as indicate which of the already received bids would be the best case scenario to accept. They will return to the F&O meeting on February 3, 2022.

**Technology Bid Package T-4** – Mr. Salzer shows the committee a drawing of the Miller site, to explain where the fiber now comes into the building, and where it will come in after BP EL-2 construction. We are not allowed to use eRate to cover fiber maintenance, repair, and build costs. We went out to bid for a company to re-route the fiber to avoid the construction area. Mr. Salzer confirms that the fiber at Miller will be encased in inner duct conduit, and they will be using a boring machine to limit the impact to the area. We had bids from Western Tel-Com and Fiber Link, with the low bidder being Western Tel-Com is the amount of \$11,645, and eRate will reimburse us 50%, so final cost to the district should be \$5,822.50. This item will be presented for first reading at the Board of Education meeting on January 25, 2022.

### **Key Performance Indicator (KPI) Reports – Transportation**

We have Nick Voisard, Scott Wallace, and Sheldon Stewart from Durham here to present the 2021-22 1<sup>st</sup> quarter Key Performance Indicators Report.

We have also obtained a staffing update from Durham to shed some light on their staffing challenges. The new Transportation Director will be Tony Vinson, who is scheduled to start on January 31. Sheldon Stewart goes through the slides that are related to staffing, and Mr. Wallace and Mr. Stewart answer the committee questions and clarify the information in the presentation.

Because of the inconsistency of the Y-O-Y data due to the COVID lockdowns, Mr. Kehoe would like to obtain a copy of the most recent pre-pandemic Transportation

KPI report. He would also like to review ride times. Mr. Wallace shared that they have increased driver training this year due to the amount of new drivers.

Durham has also provided an update on hiring since the start of the school year. It is also shared that they have hired a third-party firm to enhance their exit interview process, which will allow us to capture data on where our drivers are going and why they are leaving P-CCS. They share that the struggle they are running into stems from the fact that becoming certified bus drivers is a long process, and many trainees end up dropping out midway. Ms. Piesz adds that the state is working to address some of these hurdles, like the fact that people are not able to pass the test that requires them to know all of the bus engine parts, and also that once a person fails the test, they are required to wait anywhere from 2 weeks to one month before they can re-test. New drivers also are required to attend classes at Wayne RESA for 4 days, 7 hours per day. Supt. Merritt will reach out to RESA about the possibility of adding additional capacity in these classes to ease these certification delays.

They report that new route rotation plan that started on January 10 is working out very well thus far.

Currently new drivers have a \$1000 signing bonus, and they are raising that to a \$2000 signing bonus. They have increased wages across the board, and they are instituting an attendance bonus that allows the drivers who show up to work to collect a bonus on a bi-weekly basis. P-CCS is the pilot district for this. They also give out prizes for employee of the month, such as big screen TVs and gift cards to buy dinner for the driver and their families.

**Financial Statements as of December 31, 2021-** Mr. Kling reviews the monthly reports, points out items of interest, and explains the larger variances. He begins with the increase of the state aid amount, which reflects the \$8,700 per pupil allowance, but that is netted with a declining number in enrollment. Revenue through December 31 is trending 1.46% slower than the last three years. In looking at expenditures, we can see that spending is moving 2.42% faster as a whole compared to this period over the last three years.

Mr. Kehoe would like to be provided with the amount of credits that we have received from ABM, and how much we have paid them thus far.

**2021-2022 Mid-Year Budget Amendment -** Ms. Piesz presents the PowerPoint presentation that supports the 2021-2022 mid-year budget amendment. This year we have provided a mid-year amendment for all funds, not just the general fund, as the federal funds have had such an impact on our financial outlook. Originally we believed we would have a \$7.3M planned use of equity, but with this amendment we believe we will instead be at \$6.5M. While the foundation allowance has been increased to \$8,700 per pupil, we have a loss of 70 FTE since the original budget was presented. Enrollment numbers are shown in FTE, as opposed to headcount.

There are slides in this presentation to clarify the ESSER III funds, the specific ways these funds can be spent, and how we can identify the needs of students in different demographic groups.

Mr. Kling adds that we have not received the accounting guidelines on these funds as of yet. We also look at historical data on enrollment in FTEs. Finally we review the budget amendment book, while Ms. Piesz describes each fund and what we use it for. We are expecting to spend down the Nichols Trust and the Technology Replacement Fund in the near future.

Ms. Piesz explains that we use the mid-year amendment as a jumping off point for our projections, but there will be further tweaks when we do the final budget amendment in June. The mid-year amendment includes estimates the cover all positions, even vacant, while the final amendment in June will not include the positions that we did not fill. It will also incorporate the use of federal funds to cover some costs.

Adjourned: **7:32 p.m.**