



PLYMOUTH-CANTON
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Finance & Operations Committee

September 22, 2022

MINUTES

Meeting called to order by Committee Chair: Kehoe 5:00 p.m.

Board of Ed members present: Kehoe, Brooks (Christenson-absent)

District staff present: Piesz, Gruszczynski, Salzer, Steinman, Jory

Citizen Representatives present: none **Other Citizen(s):** none

Also in attendance: Brian Jessie-Barton Malow; Robert Bernardi-Executive Energy

Public Comments - none.

Approval of Prior Meeting Minutes – September 8, 2022 - approved.

Network Storage RFP Recommendation – Brian Jessie from Barton Malow begins by explaining the importance of the district data center, what it does, and shares with the committee that the datacenter equipment is now 9 years old. The time has come to update the servers and storage in the district's data center. This replacement was included in the scope of work and the technology bond budget laid out in the 2020 bond program.

Mr. Salzer, Mr. Jessie, and Mr. Steinmann have taken a lot of time researching each of the four vendors listed in the attached documentation to explore different equipment, integrators, and solutions.

The consensus is that the best solution for us is to purchase the Dell VxRail through People Driven Technology, Inc. The recommended solution is unique in that everything is running in two completely separate sites that mirror each other, each with separate backups, so that if something were to happen to one site, all data would be available at the other site. Each site also back-ups the data to a server that is not operating live, so it cannot be compromised. Our IT department has come up with several layers of security to protect our data in the most optimal way.

Two recent incidents at school districts, one in Wayne County, has led us to be hyper-focused on our ability to protect our data from bad actors.

The current datacenter has reached its end of life, and lacks modern security features that we need to interact with newer systems.

It is our recommendation to purchase Dell equipment through People Driven Technology, at a cost of \$448,571, plus a 5% contingency of \$22,428, for a total cost of \$470,999. This will be purchased using 2020 bond funds.

Purchase of Electric Vehicle Switch Lab Kit for CTE Automotive Program –

The CTE Automotive Program requested the funds from EEF, through the Margaret Dunning Foundation, to secure the money to purchase an electric vehicle switch lab kit to be used in the CTE Automotive Program at Canton High School. EEF received a check for \$57,000 to cover the cost. Member Kehoe is also a member of the EEF Board, and is well aware of the purchase and the kit, and will recommend a first and final reading on this item at Tuesday night's meeting.

10-Year Electric Purchase –

Ms. Piesz shares with the committee that we purchase electrical capacity ahead of time to be able to secure savings in the rate per kilowatt hour. We have been fortunate to be part of the 10% of Michigan school districts in the electric choice program. If we were to opt out we could not get back in. The fact that we are in that program has protected us from the high prices that have resulted from the war in Ukraine, the power surge cause by the unusually hot weather, etc.

Every day the rates being charged for electrical capacity vary, in fact, this week it was announced that prices per kilowatt hours will increase 40% in January. We are protected from that increase because our price is locked in until May 2024. However, the sooner we lock into a fixed price, the less we will be affected by future market volatility.

Rob Bernardi, through Executive Energy, currently manages the utilities for 52 school districts in the state of Michigan. He has assisted the district in securing low prices on our gas and electric for several years. We are currently paying \$.0564/kWh, compared to the \$.060 kWh the other districts are paying. As a result of locking in to the lower price several years ago, we have saved over 100% when compared to current market pricing, and over 40% as compared to standard utility rates. Our agreement with DTE Energy expires in May of 2024. Many other school districts in the state are paying higher rates, and none have secured pricing beyond December 2022. We are anticipating a large increase in the cost of electricity in the 2024/25 school year, so it is our recommendation to enter into a 10 year agreement and lock in a rate of \$.0855 kWh, or less, through June 2034.

Mr. Bernardi is asking the Board to approve the 10-year deal, so that he can go out into the energy market and lock it in for us. Mr. Kehoe consents to have a discussion about this at Tuesday night's meeting, and do a first and final reading on this item.

Adjourned: **6:10 p.m.**