NESHAMINY SCHOOL DISTRICT
Langhorne, PA

FACILITIES AD HOC COMMITTEE MINUTES

Thursday October 23, – 7:00 p.m.
Maple Point Middle School – LGI

The following Facilities Ad Hoc Committee persons were in attendance:

Facilities Ad Hoc Committee:
Mr. Stephen Pirritano
Mr. Ron Rudy
Mr. Anthony Sposato

Cabinet Consultant:
Mr. Robert L. Copeland, Superintendent of Schools

Others in attendance:
Mr. Scott Congdon, Board President
Ms. Irene Boyle, Board Vice President
Mr. John Allen, Board Member
Mr. Mike Morris, Board Member
Mrs. Barbara Markowitz, Business Administrator
Mrs. Maureen Jampo, Financial Services Manager
Mr. Paul Minotti, Director of Facilities
Mr. Don Harm, Assistant Superintendent for Administration
Mr. Rick Evans, Reynolds Construction
Mr. Damion Spahr, Reynolds Construction
Mr. Scott Downie, Spiezle Architectural Group
Mr. Scott Malin, Spiezle Architectural Group

Fifty five members of the Public

The Facilities Ad Hoc Committee Meeting was called to order at 7:05 p.m. by Mr. Pirritano.

1. **Review of the Facilities Ad Hoc Meeting Minutes- September 17, 2014:**
   Mr. Pirritano welcomed everyone and asked if there were any comments regarding the minutes from the September 17th meeting, there were none.

2. **Consolidation Savings- Mrs. Barbara Markowitz:**
   Mrs. Markowitz reviewed the handout on consolidation savings based on a kindergarten through 5^{th} grade model using the 2014-15 budgeted numbers. The expenditure and operational staffing savings to close the three elementary schools was $2.4 million. The expenditure and operational cost to open a new school was $944,551. There was a net savings of $1.5 million. Mr. Harm explained there could be additional savings from consolidating to a K-4 model by efficiencies in staffing teachers, and closing Everitt for the 2015-16 school year. If a K-5 model was chosen, Everitt, Heckman, and Lower South could close in 2016-17. The savings from consolidation would range from $1.8 million to over $2 million.

   There was a discussion about the square footage of the new building, the custodial staff required, and the state mandated number of principals. The new school can house 70 more students than Hoover with a K-4 or K-5 grade configuration, and class size is bound by contractual obligations.

   Mrs. Markowitz stated that $1.5 to $2 million dollars will be lost annually if all of the buildings are kept open. The cost to renovate three schools was estimated to be $32-36 million dollars. Mr. Rudy requested a list of upgrades needed to renovate the three schools. Mr. Minotti explained the standards of all buildings are the same, other buildings are receiving upgrades, and three buildings need additional work.

   Mr. Spahr spoke about the Guaranteed Energy Savings Program, the 50% renovation limit, and the qualification of the individuals assessing the buildings. There was a discussion about the programmatic changes the buildings would require including security vestibules and the threshold of the renovations qualifying for GESA.

Mrs. Markowitz reviewed the analysis of data provided by a member of the public. The estimated 2016-17 budgeted amount of $184 million is not accurately reflected as an annual 3.5% percent increase to the current budget. The 2014-15 budgeted amount excluding federal programs is $168,884,146, a 3.5% increase for the next two years would be $180,912,919. Mrs. Markowitz considers a projected 3.1% budget increase significant.

Mr. Fiori, a member of the public stated the estimated $184 million budget was based on $172 million plus $12 million for a PSERS increase. Mr. Fiori questioned the cost of running Heckman and the proposed cost of the new school being $99,000 dollars apart. Mrs. Markowitz explained the utilities alone would cost $193,490 less to run in one building than the three buildings. Mr. Pirritano explained additional savings are achieved by properly allocating resources. Mrs. Markowitz clarified the $2 million dollars in savings was from the Mc Kissick study suggesting a $217,000 savings from operations, a $793,000 savings from support staff, and a $880,000 savings from teaching staff for a total of $2 million.

3. **Design Update- Spiezle Architectural Group Inc. & Reynolds Construction Manager:**
Mr. Malin presented a power point of the site plan design of the new school. He discussed the proximity of the bus loop to the property line and the placement of the building. The revised plan moved the building and bus loop 70 feet away from the neighbors, which is the maximum amount the building can move. There was a discussion about demolishing the old building and placing the new building in its place. Mr. Malin explained the topography and direction of the slope on the property. Grading is necessary because the footprint of the new building is larger than the existing building and storm water management requirements are very stringent.

Mr. Spahr confirmed it would cost approximately $24 million dollars to complete the deferred maintenance updates on the three buildings, or $32-36 million to bring the buildings to the GESA standard of the other buildings. There was a discussion about the PlanCon process and when the new school project will be sent out for bid. It was confirmed Reynolds is not building the new school; they provide construction management estimates that are set by the architects.

The requirement of a traffic study was discussed and a member of the public expressed concern about the buses emissions and air quality. Mr. Minotti explained the majority of the buses are clean diesel and state law does not allow for idling.

A member of the public suggested displacing the students that rent the Tawanka building for a year.
Mr. Copeland stated the vacant space at the high school gym was converted for the 18-21 program, and believes the program cannot be moved. The rent from the IU program is approximately $300,000 annually. Mr. Minotti explained our contracts with the IU state they are responsible for buildings upgrades and all utilities.

4. **Bond Update- Mrs. Barbara Markowitz:**
Mrs. Markowitz confirmed the total net aggregate debt service is $116 million. The borrowing of new debt potential is $51.8 million, restructuring existing debt of $30.6 million, and $690,000 of issuance costs with a zero tax increase will have $100,000 budget impact over 3 years.

Mr. Rudy questioned the aggregate debt going from $116 million to $223 million. Mrs. Markowitz confirmed the current annual debt service is $9.1 million and the proposed maximum annual debt service is $9.4 million. The current balance in the capital reserve fund is around $9 million.

Mr. Morris questioned raising taxes by 1 mill. Mrs. Markowitz explained the taxpayer increase is calculated by the value of 1 mill which is currently $769,000. A tax increase is limited by ACT 1 index which currently restricts raising taxes above $1.9 million.

5. **Other Items:**
There were no other items.

6. **Public Comment:**
A member of the public questioned the additional cost in transportation for the students attending the new school. Mr. Minotti explained there are currently walkers and riders to each school; redistricting will focus on assigning students to the closest school that makes the most sense.

There was a discussion about going to referendum, the funding needed to repair the schools, and the ACT 34 hearing.

7. **Next Meeting:**
The Next meeting will be Monday, November 17th at 7:00 pm.

The meeting was adjourned at 9:56 p.m. by Mr. Pirritano.