

CENTENNIAL BOARD OF SCHOOL DIRECTORS
Warminster, Pennsylvania

MINUTES of FINANCE AND OPERATIONS COMMITTEE MEETING
HELD April 25, 2016

1. WELCOME AND INTRODUCTIONS

A Finance and Operations Committee Meeting of the Centennial School Board was held April 25, 2016 in the Administration Building. The meeting was called to order by Mr. Shafter at 7:43 p.m.

Committee members present: David Shafter, Dana Morgan, Steven Adams, Michael Hartline, Charles Kleinschmidt, Dr. Andrew Pollock.

The following Administrative members were in attendance at the meeting: Dr. David Baugh, Chris Berdnik, Dr. Jennifer Polinchock, Raymond Kase, Timothy Trzaska.

The list of members of the public who attended is attached.

2 PLEDGE OF ALLEGIANCE (Mr. Shafter)

Mr. Shafter led the group in the Pledge of Allegiance.

3. APPROVAL OF MINUTES (Mr. Shafter)

3.1 Approval of minutes from the Finance and Operations Committee Meeting held Tuesday, March 22, 2016 (Action)

A motion was made by Mr. Hartline, second by Ms. Morgan, to approve the minutes of the Finance/Operations Committee of March 22, 2016. Motion carries, 6-0-0, with all committee members voting. Ms. Morgan requested a revision under item 6.6 to change the wording to say that the motion was made by Mr. Adams. Mr. Hartline made a motion to approve the revision, as stated, second by Mr. Adams. Motion carries, 6-0-0, with all members of the Finance and Operations committee voting.

Mr. Berdnik requested that the Committee take action first on item 7.2.

7.2 William Tennent High School Band Uniforms (COSTARS) from Stanbury (Action)

A motion was made by Mr. Hartline, second by Dr. Pollock, to move purchase of band uniforms for William Tennent High School in the amount of \$28,500 from Stanbury using COSTARS contract pricing to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

4. BUDGET UPDATE

4.1 Review of Financials for March 2016 (Information)

Mr. Berdnik presented the March financial reports. He noted the layout is a bit different.

4.2 Update on the 2016-17 Budget Process (Information)

Mr. Berdnik provided information on the budget process for the 2016-17 school year. The proposed final budget will be presented at the May 10, 2016 Board meeting.

4.3 Walk Down Memory Lane (Information)

Mr. Berdnik said it is five years to the day that Centennial first prepared a five year plan and it has paid off. Revenues and expenditures were adjusted and we were able to retain our fund balance.

4.4 Update on 2015-16 and/or 2016-17 State Budget (Information)

Mr. Berdnik reported the Governor let the fiscal code bill pass without his signature. Mr. Berdnik still has preliminary numbers and is not sure how much of the new money will flow through since updated figures have not been provided yet. No information is available at this time regarding when the District will receive the PlanCon funds that are due.

4.5 Moody's Update (Information)

Mr. Berdnik provided information from Moody's and noted we need to be modest in what we borrow in the future.

4.6 2016-17 Capital Reserve Fund Budget Draft (Information)

Mr. Berdnik explained the 5 year capital plan and spoke about the need to replace pumps and tanks at Transportation and the renovations at Swan Way. The cost of demolition of the Johnsville Administration Building is in the capital reserve budget at a placeholder cost of \$440,000. There was a discussion of demolition of the building or repurposing the building. Comments were made by Mr. Adams and Mr. Shafter. Mr. Hartline asked administration to come up with options that would be possible for the Administration Building and provide that information to the committee.

8.7 Electrical Service Upgrade to 48 Swan Way (Action)

Mr. Berdnik said the District received four bids. The recommendation is for the lowest bidder, BSI Electrical Contractors.

A motion was made by Ms. Morgan, second by Dr. Pollock, to move the recommendation to award the bid for the electrical service upgrade to 48 Swan Way to BSI Electrical Contractors at a cost of \$49,900 to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

8.8 Renovations to 48 Swan Way Bid 2016-18 (Action)

Mr. Berdnik said there is a contingency of 3% and an allowance for FF&E. Mr. Berdnik said he put in three alternates. Dr. Pollock said he cannot support the purchase of the partition at this time. He would prefer to spread out the cost over two or three years. Additional comments were made by Mr. Adams, Mr. Hartline and Mr. Shafter on this topic.

Mr. Shafter had a question about the roof. The architect from Crabtree said the roof will be refurbished and would carry a 20 year warranty on that work. Mr. Kleinschmidt said he is concerned that the cost of the project is significantly higher. Discussion continued about the cost. Mr. Hartline requested the original figures from when the District started the Swan Way project.

A motion was made by Mr. Adams, second by Ms. Morgan to move Bid 2016-18 for the renovations to 48 Swan Way to the full Board for approval as presented. The motion carries, 5-1-0, with all committee members voting, Dr. Pollock opposed.

5. REALITY BASED BUDGETING**5.1 2016-17 Payroll Schedule (Information)**

Mr. Berdnik provided information on the payroll schedule. Mr. Shafter asked if we have considered moving to a bi-monthly payroll. Mr. Berdnik said we would have to negotiate it.

5.2 2016-17 Pharmacy Update (Action)

Beginning July 1, we will have Aetna for our pharmacy needs, and Aetna uses CVS. There would be some transition needed, but employees receive the benefit of the wider network.

A motion was made by Mr. Hartline, second by Mr. Adams, to move the transition of the self-insured pharmacy benefit to DVIT-Aetna/CVS for the 2016-17 school year to the full School Board for approval. Motion carries, 4-0-0, with Mr. Shafter, Ms. Morgan, Mr. Adams, and Mr. Hartline voting.

5.3 Bank of America Notice of Assignment (Information)

Information was provided on this item. There is no change in the terms.

5.4 Delaware Valley Health Trust Center Update (Information)

Information was provided on this item.

5.5 Long Term Disability Renewal – PSBA/Assurant – Admin/Support, Madison - Support (Action)

Mr. Berdnik clarified that there is no change in the rates for next year. A motion was made by Mr. Hartline, second by Mr. Adams to move the renewal of long term disability insurance with Assurant and Madison National for the 2016-17 school year with no change in rates to the full School Board for approval. Motion carries, 4-0-0, with Mr. Shafter, Ms. Morgan, Mr. Adams, and Mr. Hartline voting.

5.6 Universal Grant Guidance (Information)

Information was provided on this item.

5.7 Workers' Compensation Update (Information)

Renewal rates were provided that match with what is in the budget.

6. PSDLAF (Depository) Updates

6.1 March CFO Report (Information)

Information provided.

6.2 April 2016 Newsletter (Information)

Information provided.

6.3 Act 10 New Permitted Investments (Information)

Professional development is scheduled for early May on the new investments.

7. PURCHASING/CONTRACTS

7.1 Ambulance Quote Q16-007 (Action)

7.3 Musical Instrument Rental Bid 2016-21 (Action)

7.4 Piano Tuning Quote Q16-006 (Action)

Items 7.1, 7.3 and 7.4 were combined in one vote.

A motion was made by Mr. Hartline, second by Mr. Kleinschmidt to move the ambulance quote Q16-007 to Warminster Volunteer Ambulance Corps in the amount of \$2,610 for six home games, plus unit pricing as necessary for additional events to the full School Board for approval; to move the award of the Musical Instrumental Rental Bid 2016-21 to Music and Arts to the full School Board for approval; to move the award of the Piano Tuning Quote Q16-006 for a three year period beginning July 1, 2016 to Hi Note Party, Inc. at a cost of \$75 per tuning to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

7.5 School Specialty Sax Childcraft Abilitations and Sportime TCNP Online Ordering (Action)

A motion was made by Mr. Hartline, second by Mr. Adams, to move the request to add the School Specialty Sax Childcraft Abilitations & Sportime TCNP contract to the list of Board approved cooperative purchasing to the full School Board for approval. Motion carries, 4-0-0, with Mr. Shafter, Ms. Morgan, Mr. Adams and Mr. Hartline voting.

8. FACILITIES

8.1 Update on Current Facility Projects (Information)

Mr. Berdnik provided information on this report.

8.2 PJM Capacity Notice (Information)

Information was provided.

8.3 Transportation Center Gas Pumps and Tanks - Engineering (Action)

A motion was made by Ms. Morgan, second by Mr. Adams, to move the acceptance of the proposal from Barry Isett & Associates for design of fuel dispensing and storage systems for the transportation center at a cost of \$16,800.00 to the full School Board for approval. Motion carries, 6-0-0, with all members of the committee voting.

8.4 Contract for Growth Lab at Willow Dale (Action)

Mr. Berdnik explained the vendor has requested an executed contract, which only the Board can approve. The grant was delivered through CEF. A motion was made by Ms. Morgan, second by Mr. Adams, to move the approval of the contract with Pioneer Pole Buildings, Inc., for the construction of the Growth Lab at Willow Dale Elementary School at a cost of \$17,809.00 to the full School Board for approval. Motion carries, 6-0-0, with all members of the committee voting.

8.5 Boiler Maintenance RFQ Q16-004 (Action)**8.6 Dry Mop Service Quote Q16-005 (Action)****8.9 Fire Equipment Inspection and Certification Bid 2016-20 (Action)****8.10 Tennis Court Repairs Bid 2016-32 (Action)**

Mr. Berdnik said 8.5, 8.6, 8.9 and 8.10 can be voted on together. Mr. Berdnik pointed out that the tennis courts will be resurfaced and will look brand new. In response to a question from Mr. Hartline about our warranty on the tennis courts, Mr. Berdnik said the warranty is one year, which is industry standard. Mr. Shafter asked about boiler maintenance and who does the repair work. Mr. Trzaska said we get an estimate of the repair and then ask for quotes for the repairs.

A motion was made by Ms. Morgan, second by Mr. Adams to move the recommendation to award the boiler maintenance RFQ Q16-004 to 3B Services, Inc. at a cost of \$9,800.00 to the full School Board for approval; to move the Dry Mop Service Quote Q16-005 to the lowest bidder, Health Mats Company, at a bi-weekly cost of \$164.85 for a two year period to the full School Board for approval; to move the recommendation for the Fire Equipment Inspection and Certification Bid 2016-20 to the lowest bidder, Delaware Electrical Contractors, at a cost of \$20,349.60 to the full School Board for approval; to move the recommendation for the Tennis Court Repairs Bid 2016-32 to the lowest bidder, Pavement Maintenance Contractor, Inc., at a cost of \$23,880, to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

8.6 Dry Mop Service Quote Q16-005 (Action)

This item was done along with item 8.5.

8.7 Electrical Service Upgrade to 48 Swan Way (Action)

This item was handled earlier in the evening.

8.8 Renovations to 48 Swan Way Bid 2016-18 (Action)

This item was handled earlier in the evening.

8.9 Fire Equipment Inspection and Certification Bid 2016-20 (Action)

This item was done along with item 8.5.

8.10 Tennis Court Repairs Bid 2016-32 (Action)

This item was done along with item 8.5.

9. FOOD SERVICE

9.1 2016-17 SNAPa Conference (Action)

A motion was made by Ms. Morgan, second by Mr. Adams, to move the request to approve Shannon Stone, Supervisor of Nutritional Services, to attend the 2016-17 School Nutrition Association of PA Conference in Hershey, PA, August 1-3, 2016 at a cost of \$577.00 to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

9.2 MealViewer Menu Application (Action)

A motion was made by Ms. Morgan, second by Mr. Adams, to move the purchase of the Digital Suite Software mobile application at a cost of \$2,800.00 to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

9.3 Mid-Atlantic Dairy Association Grant (Action)

9.4 Pennsylvania Smarter Lunchrooms Mini-Grant (Action)

Mr. Berdnik said items 9.3 and 9.4 are both small mini-grants and can be done together. Mr. Shafter asked about the cost of the plastic bottles. Mr. Trzaska will have that information for the May 10 meeting.

A motion was made by Ms. Morgan, second by Mr. Adams, to move the approval of the memorandum of agreement with the Mid Atlantic Dairy Association which will provide a grant to the District in the amount of \$12,000.00 for the promotion of bottled milk at no cost to the full School Board for approval; and to move the acceptance of the mini grant of \$1,200 from Project A under the Pennsylvania Smarter Lunchrooms Program to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

10. TECHNOLOGY

10.1 PC Laptop and Carts Purchase Bid 2016-33 (Action)

10.2 PC Laptop and Carts Purchase Bid 2016-34 (Action)

Mr. Berdnik said items 10.1 and 10.2 can be handled together. The recommendation is to reject these bids so we can map out a strategy to purchase iPads instead. Dr. Pollock wanted to reject this now, in the committee, and not move it to the full Board to reject. Dr. Baugh said that in the interest of being open and transparent, administration is recommending these two items be sent to the full School Board in two weeks. Mr. Berdnik said it is important for the full Board to reject these bids.

A motion was made by Ms. Morgan, second by Mr. Adams, to move the recommendation to reject all bids to provide laptops and carts outlined in Bid 2016-33 to the full School Board for approval; and to move the recommendation to reject all bids to provide laptops and carts outlined in Bid 2016-34 to the full School Board for approval. Motion carries, 5-1-0, with all committee members voting, Dr. Pollock opposed.

10.3 Sage and Squid Professional Services for Swan Way Move (Action)

Mr. Berdnik said these quote are blocks of time with regard to moving the technology equipment to Swan Way. Ms. Morgan requested an estimate of whether or not we are over or under budget for all Swan Way related items. Dr. Pollock asked if our technology department could take down and set up the equipment. He wanted the motion to say not to exceed \$9,700 and then come back to the Board for approval if there are increased costs. Mr. Hartline said we do not want our technology department doing this because it is very specialized and the company moving the equipment will insure it against damage.

A motion was made by Ms. Morgan, second by Mr. Adams, to move the request for Safe and Squid Professional Services to move equipment from the Network Operations Center and the Board Room to 48 Swan Way at a cost of \$9,700 to the full School Board for approval. Motion carries, 5-1-0, with all committee members voting, Dr. Pollock opposed.

10.4 District Cell Phones (Action)

A motion was made by Ms. Morgan, second by Mr. Adams, to move the recommendation to allow Centennial administrators to use his/her personal cell phone for district business and be reimbursed by the district at the rate of \$30 per month to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

11. TRANSPORTATION

11.1 Bus Safety Competition April 30, 2016 (Information)

Information was provided.

11.2 Maintenance Truck Replacement 2015-16 – COSTARS (Action)

11.3 77 Passenger Bus (4) Bid 2016-35 (Action)

Mr. Berdnik said these two items could be grouped together for action and noted the buses will be purchased from 2016-17 school year funds.

A motion was made by Ms. Morgan, second by Mr. Adams, to move the purchase of a Sierra 3500HD in the amount of \$55,117 from Penske GMC under COSTARS as a replacement for the 2006 Ford maintenance vehicle M16 (plumbing/HVAC) to the full School Board for approval; and to move the award of the (4) 77 passenger bus bid #2016-35 in the amount of \$357,484 to Brightbill Body Works to the full School Board for approval. Motion carries, 6-0-0, with all committee members voting.

Other Discussion

Dr. Pollock announced the public and Board members are invited to the Arts Hall of Fame on Monday, May 2 at the high school. The program starts at 5:00 p.m. in the WTHS upstairs lobby.

Mr. Bernik announced congratulations to Erin Cicchitti who was a semi-finalist at the state debate tournament.

12. ADJOURNMENT

12.1 The next Finance and Operations Committee meeting will be held Tuesday, May 24, 2016.

A motion was made by Mr. Hartline, second by Ms. Morgan to adjourn the meeting. Motion carries, 6-0-0, with all committee members voting.

The Finance and Operations Committee Meeting was adjourned at 9:09 p.m.

Respectfully submitted,

Christopher Berdnik
Chief Financial Officer

