

BERNARDS TOWNSHIP PUBLIC SCHOOLS

FINANCE COMMITTEE MEETING MINUTES THURSDAY, SEPTEMBER 14, 2023 8:00AM

Attendees

Board Members: Kirsten Light, Larry Rascio, Tim Salmon, Robin McKeon
Administration: Nick Markarian, Jim Rollo

Rod Grants Update

- **Grant Amount:** An amount of \$20,545,299 with State Reimbursement of \$8,218,120 was recently posted in a chart on the following state website: <https://www.state.nj.us/education/facilities/> as follows:

On 9/7/2023 the New Jersey Department of Education (NJDOE) and the New Jersey Schools Development Authority (SDA) announced the approval of nearly \$450 million in school construction funds to address critical facilities needs in 261 school districts throughout the state.

Funding for the school construction initiative was made possible through legislation signed in 2022 and grant funding from SDA allocations.
[Chart of Districts receiving state construction funding.](#)

This is encouraging news as it appears that Bernards Township may receive the 6th highest amount in the state. It is very important to note that this is not an official award and the district is awaiting PEC (Preliminary Eligible Cost) and FEC (Final Eligible Cost) letters; but certainly we are excited to see this chart on the state website. Our list of projects is 13. At each school roofing and HVAC units on the roofs (that is we projects) and the thirteenth project is a group of 8 classrooms at RHS getting new classroom HVAC units (inside the building vs. roof top).

Next Steps: Prioritization of Projects, Funding Requirements Grant Agreement

- o As noted above, we need to get the PEC and FEC letters to document State commitment to the Board
- o Need to have 100% of funds for a given project before contracting for that project* since state reimbursement typically does not come until after the project is completed - hence the need to build and maintain strong Maintenance and Capital reserves.
- o Timing to use the grant will be determined by the language in the grant execution agreement. Last ROD grant periods were open ended.

*Reimbursement is an onerous process and the reimbursement typically comes after the projects have been completed. There are thresholds that the project must meet to get reimbursements along the way.

23-24 Projects

▪ **Facility Condition Assessment RFP \$150,000**

- This is a review of all of the facilities, fixed assets, systems, etc to document the current inventory of assets and needs in order to assist the District in developing the long-range capital plan and determining facilities repairs and maintenance budgeting forecast.

The Committee recommends moving forward with this project.

▪ **Accounting/Payroll/HR Software Migration**

- Evaluation was performed to evaluate new software as existing software has become unstable and unreliable and holding up District business.
- Recommendation from the Business Administrator is to migrate to LINQ. References received from other NJ Districts have been overly positive. Software is less expensive (\$51,800 vs \$70,000) year over year. Not as inexpensive as CSI (another vendor evaluated), however additional features are available that will save overhead costs in the business office.
- There is a one-time implementation fee of \$65,000. Grant money that needs to be used in this fiscal year can free up funds to cover this cost in the current year.
 - Target date would be to implement in November and migrate in the new fiscal year.

The Committee recommends moving forward with this software purchase, implementation and migration. Additionally, the Committee recommends establishing a qualitative merit goal to be set for Jim Rollo up to 2.0% (approximately \$4,300) of his base salary.

▪ **Mount Prospect HVAC BAS integration \$150,000 to \$200,000 try to do current year**

- Currently the classroom units are not communicating with the main system so the facilities team are unable to remotely monitor what is occurring in the classroom related to heat and air conditioning. As such, the maintenance team is unable to timely respond to issues that arise.
- The classroom units are anticipated to have at least ten (10) years of useful life remaining and the District's facilities team is recommending installing updated technology hardware to reconnect the units to the main system.
- This approach resolves the current "band-aid" that is now in place with local thermostats. Given the useful life left on the classroom units we want to replace the local thermostats with the new controls that connect the units to the building automation system (BAS) for better monitoring, control and energy use management.

The Committee recommends moving forward with this project.

- **Kitchen Equipment Replacement Phase 1**
 - Kitchen Prep Equipment (e.g. stoves, ovens, refrigerators) will be replaced over the course of the next school year during periods of availability (e.g. breaks) at an estimated cost of \$250,000.
 - Currently there is \$1.4 million in audited fund balance for the cafeteria fund that will cover the cost of this with the unaudited fund balance expected to be in excess of this amount (approx. \$1.7 million) based on last months committee report.
 - Phase II will be to reconfigure the serving lines and pricing will be close to what is left of the fund balance. However, based on the anticipated fund balance and the forecasted results of our Aramark contract, by end of the 2023-2024 school year, the fund will have enough funds to cover the cost of these upgrades.
 - **Followup items:** Request was made by a committee member to determine if anything is salvageable, if it can be sold for scrap or if that has already been worked into the contractor's estimates.

The Committee recommends moving forward with this project.

24-25 Capital Projects to be budgeted

- **District Wide Flooring:**
 - Approximate cost - \$650,000
 - Project is being proposed to remove and replace various carpeted and tiled areas across the district and remove and remediate any asbestos related material originally used in the glue and mastic when originally installed.
 - Funding anticipated to be covered through a draw down from the maintenance reserve.
- **WAMS Dust Collector**
 - Approximate cost - \$35,000
 - One piece of equipment located in the WAMS wood shop used to collect various wood shavings and particles. This piece of equipment has been repaired multiple times. Remediation options are available, however if those options fail, it can create a fire hazard in the school.
 - Funding anticipated to be covered through the operating budget.
- **WAMS Loop Paving**
 - Approximate cost - \$675,000
 - Removal and replacement of pavement and all curbing
 - Funding anticipated to be covered through the capital reserve
- **Varsity Complex Related**
 - Approximate cost – There may be related additions, such as enhanced drainage, extending length of field to permit 4 sports, etc to this project that the board may wish to pursue
 - Drainage remediation and installation of a new turf field and bleachers

- o Funding is currently included in the 2023-2024 operating budget for approximately \$2.7 million. If the project is not commenced during the 2023-2024 school year, it will result in an increase to fund balance that can be moved to the capital reserve to be used for this project going forward.
- **Kitchen Serving Lines Phase 2 TBD**
 - o Approximate cost and timeline – TBD