

UPPER PERKIOMEN SCHOOL DISTRICT

Upper Perkiomen Middle School

901 Montgomery Ave., Pennsburg, PA

Facilities Committee Meeting

November 9, 2020

6:30 pm

CHAIR: Melanie Cunningham

MEMBERS:

Mike Elliott

Peg Pennepacker

Ex-Officio: Dr. Kerry Drake, President

Superintendent:

Director of Facilities and Operations:

Business Administrator:

Dr. Allyn Roche

Doug Kenwood

Sandra Kassel

MINUTES

The November 9th Facilities Committee meeting began at 6:35 pm. Attendees included Facilities Committee members - Melanie Cunningham, Mike Elliott, Peg Pennepacker, Dr. Allyn Roche, Doug Kenwood, and Sandra Kassel . Other attendees included Dr. Andrea Farina, Raeann Hofkin, Mike Lang, John Young, and Joe Solomon of Provident Energy and Tim Geiger of ICS.

1. Provident Energy Company /ICS Presentation & ESCO Recommendation
 - a. Question & Answers

Facilities Chair Melanie Cunningham called the meeting to order.

Mike Lang of Provident reported that during a lengthy meeting with Doug after the ESCO presentations that they went line by line and ESCO by ESCO to work through the proposals provided. He noted that by some RFI they were able to shave off some additional costs. He added that a site visit at the HS by ICS found a few missing items that were added to the project.

A technical and financial analysis was reached after meeting with Doug & Sandy producing a solid conclusion. Both Doug and Sandy stated they were very pleased with the collaboration with Provident and the process overall, adding that having an energy consultant to advocate for the District was invaluable.

Tim Geiger went over Phase One ECMs, starting with the items that could produce cost savings quickly, followed by the larger scope ECMs including the extensive work on the HS HVAC Chiller/Boiler systems and then additional work at MARL and the 4/5 Center.

Mike reported the overall estimated cost for Phase One was approximately 8.5 million with an annual proven guaranteed energy savings of \$199,000 per year or 4.8M over 20 years. He added a district contingency fund of \$500,000 was included in the case of hazardous materials or an unexpected finding during the HVAC ductwork review.

He then stated that their ESCO recommendation was NORESKO. This was due to several strong factors that would offer the best overall experience and value for the district:

- Best technical solutions that included replace and refurbish options along with detailed drawings - they are ready to hit the ground running
- A strong detailed approach to IGA phase for the HS HVAC/Chiller issue
- NORESKO Construction Plan was great and additionally included a FT Construction manager to support limited district resources – and Provident would still be in the picture adding to project stability
- NORESKO is a large regional company owned by Carrier – and their most recent project in Philadelphia SD gave excellent references
- Their cost was within 2 percent of projected numbers

Next step includes providing an IGA (Investment Grade Audit) agreement for the solicitor to review and approve for the November board agenda followed by a full contract for consideration at the December or January board meeting.

Melanie asked what if the Board decided not to pursue the IGA with NORESKO. Mike said there would be a \$90,000 break fee.

Melanie asked if there was a document that outlines the other 25 ECMS costs – Mike stated they would provide those details to the committee.

Peg asked for a better understanding of the financials. Sandy said that the District could, but doesn't have to, borrow to move forward due to prudent long-range planning and making wise-capital funds decisions over the years. She added the District is in good shape financially for GESA projects of Phase One. Peg wanted assurance that the savings were worth the cost and questioned the cost of COVID in the upcoming 2021-2022 budget.

Mike thanked Provident Energy and Doug for the enormous amount of work and time they put into this project. He said he was pleased that long-term planning is now part of the District's protocol for facilities and long overdue.

Raeann asked if there was a prioritized list of all ECMS and what the cost for each item would be for the first 23 ECMs. Mike stated he would prepare a detailed list with costs for the Committee.

Melanie said she was very comfortable with this package and first step, and Doug reminded the committee not to forget the positive impact of the student learning environment with consistent temperatures, humidity, lighting and noise reduction. Peg agreed stating it is always about the students.

Melanie stated the IGA contract will go to the full board on Thursday for approval. She then made a motion and it was seconded by Mike to adjourn the meeting at 7:15 p.m.

The next Facilities Committee meeting is scheduled for November 19th at 7:00 p.m.