Concord School District
Joint Capital Facilities/Finance Committee Minutes

School Board Committee: Capital Facilities Committee/Finance Committee

Date: December 2, 2013

Capital Facilities Committee members present: Tara Reardon, Chair, Nick Metalious, Tom Croteau (Bill Glahn, absent)

Finance Committee members present: Clint Cogswell, Chair, Barbara Higgins, Nick Metalious, Oliver Spencer

Other Board member(s) present: Kassandra Ardinger, President, Jennifer Patterson

Administration: Superintendent Chris Rath, Business Administrator Jack Dunn, Director of Facilities and Planning Matt Cashman

Capital Facilities Committee Chair Tara Reardon called the meeting to order at 5:32 p.m. and turned the meeting over to Director of Facilities and Planning Matt Cashman. Mr. Cashman explained that the purpose of the meeting was to review the Capital Improvements Plan, make any revisions and discuss how the District might finance projects going forward, with a focus on reviewing the almost $950,000 proposed for the FY 2014-2015 budget.

Over several months, School Board members on the Capital Facilities Committee toured Broken Ground School, Beaver Meadow School, Rundlett Middle School and Concord High School to view existing conditions and to better understand what is being proposed in the ten-year plan. The total amount needed for capital improvements for the next ten years is estimated at $7.2 million.

Mr. Cashman displayed the improvements needed by school and by year for the next ten years, describing the specific projects listed for each of the schools, the cost of each project and the year the funds would be needed to complete each project. The total amount needed for the FY 2014-2015 budget is $942,302.

Kass Ardinger explained that this amount is to be used in the four older schools; however, the three new schools still maintain a budget for repairs and maintenance. Mr. Cashman explained that budgeting for the newer schools involves service agreements, HVAC maintenance, filter replacement and other repair and maintenance.

Mr. Cashman explained the cost of the projects for each school. At Beaver Meadow, the estimated cost of projects over the next 10 years is $1 million. These projects include replacement of carpets, doors, door handles, various window blinds and shades and bathroom fixtures, as well as major items including air handlers on the roof and repairs
on all parking lots and sidewalks on the property. The projects for FY 2014-2015 are estimated to cost $127,000.

The estimated amount needed for projects over the next ten years at Broken Ground School is $1.2 million. Some of the projects include replacing air handlers at a rate of two per year, upgrading the fire alarm system, replacement of the heat exchanger, continuing to replace lockers, carpets and tile, and doing a major roof replacement at a cost of $150,000. The total estimated cost for projects at Broken Ground School for FY 2014-2015 is $195,000.

A ten-year estimated total for the projects at Rundlett Middle School is $3 million. Some of the projects include replacing five sets of bathrooms over the next six years, repairing and replacing doors, flooring, lockers and/or locker hardware. The cost to repair the parking lots, driveways and sidewalks is an estimated $200,000. The plan includes replacing seven roof systems over the next seven years ($300,000). Another option listed on the plan for Rundlett Middle School is the addition of $150,000 for a Feasibility Study for the school. The FY15 school year estimate is $516,750.

Lastly, over the next ten years approximately $2 million is estimated for the projects at Concord High School. The projects include replacing flooring throughout the building, including the gym floor; repairing and replacing bathroom fixtures, doors and door handles; upgrading the clock system; replacing a hot water heater and over a period of time replacing five air handler units; outside lighting and improvement to drainage infrastructure. The cost for projects at Concord High School for FY 2014-2015 is $103,552.

Mr. Cashman shared the debt service schedule, the Concord School District Capital Lease schedule, and a history of Capital Projects graph with the joint committee.

A list of the Concord School District Expendable Trust Funds was displayed, showing withdrawals by the Board. Jack Dunn explained the usage of $100,000 withdrawn from the School Buildings Renovation and Maintenance Fund; $175,000 from the Energy Trust Fund; $1,806,500 from the Facilities Purchase and Renovation Expendable Trust Fund; $34,594.63 from the Vocational Center Capital Reserve; $69,578.14 from the Elementary Consolidation Project; and $2,612.50 from the RMS HVAC project, which is left over from two years ago.

The joint committee went on to discuss the debt schedule, Expendable Trusts and bonds in more detail as they relate to the projects.

Ms. Ardinger stated her hesitance to use the proceeds from the sale of Walker School for these projects, as she would like to see the money placed in a stabilization fund for future Boards in order to have the same benefit that the current Board had in order to fund the elementary consolidation project.

Superintendent Chris Rath asked Mr. Dunn to clarify the debt schedule. He directed the joint committee’s attention to the Debt Service Schedule graph and explained that in 2005, the Board’s goal was to keep 5% of the budget, equal to $3.2 million, as debt.
He noted that on the graph, the portion shaded in red equaled peak years where the amount went over or under the $3.2 million goal with no impact.

Ms. Ardinger suggested that the Board consider increasing the debt from $3.2 million to $3.6 million, and stated the ideal time to vote to do that might be in the upcoming budget.

Jennifer Patterson noted that the Board should consider increasing funds during FY17 allowing it to go into the negative after putting in the $131,000 during FY16.

Ms. Ardinger noted that the Board should consider the use of bonds to pay for legitimate maintenance of old buildings. She added that it is important to manage debt in order to obtain a higher bond rating.

Clint Cogswell noted that developing a bonding schedule to fix up the older schools would be a good idea.

Ms. Patterson asked if there were any additional bond premium proceeds available. Mr. Dunn stated that potentially 3.5% of the $1.8 million could be available after the SAU renovation.

All members agreed to move ahead with the Feasibility Study for Rundlett Middle School, to which Ms. Ardinger added that she is not opposed to using the School Building Renovation and Maintenance Fund to pay for the study.

Mr. Dunn has called the Department of Education (DOE) to check whether the Feasibility Study could be considered reimbursable. Ms. Ardinger suggested waiting to hear back from the DOE as nothing can be done at RMS without the study.

Superintendent Rath asked the joint committee if they noticed any particularly glaring needs in the list of projects. Ms. Ardinger said her only concern is delaying the much-needed projects such as lockers and entry and exit doors; Ms. Patterson stated that the roof is a big item. Mr. Cashman added a concern about the roof and mechanical systems. Mr. Dunn noted another option for the roof is leasing.

Ms. Reardon asked for a motion to recommend funding the Feasibility Study for Rundlett Middle School to the full Board.

**The joint Capital Facilities and Finance Committee voted 6–0 to recommend to the full Board that the administration prepare a Request for Proposal (RFP) to solicit bids for a Feasibility Study of Rundlett Middle School (motioned by Mr. Cogswell, seconded by Nick Metaillous).**

The joint committee decided to wait and see what the cost of the study would be before transferring funds from the trust to pay for the study, which could cost about $150,000.

Tom Croteau suggested that at some point the Board should discuss the option of transferring proceeds from the sale of Walker School, currently in the School Building Renovation and Maintenance Fund, into the Facilities and Renovation Trust Fund.
The joint committee voted 6-0 (motioned by Mr. Cogswell, seconded by Mr. Metalious) to adjourn.

The meeting adjourned at 6:20 p.m.

Respectfully submitted,

Tara Reardon, Chair Capital Facilities Committee
Clint Cogswell, Chair Finance Committee
Jack Dunn, Recorder