

## **RECORD OF BOARD PROCEEDINGS (MINUTES)**

Jackson, Ky., September 02, 2014

The Breathitt County Board of Education met in the Breathitt High School Library at 5:00 PM, with the following members present:

**Attendance Taken at 5:00 PM:**

Present Board Members:

Mr. Albert Little

Absent Board Members:

Mr. Bobby Gross

Ms. Ruschelle Hamilton – Dr. Appt.

Mrs. Ina Southwood – Broken Wrist

Mrs. Rebecca Watkins - Sick

**I. Call to Order/Roll Call**

Since a quorum was not present for the meeting, the meeting was not called to order. However, the representatives from TRANE Corporation did share their Request for Proposal with Vice Chair Albert Little and the audience. Glen Brashear with Ross Sinclair also shared information regarding the current bonding potential and the effect of passing an additional "nickel" would have on the bonding potential.

**II. Discuss/Hear Performance Contracting Report from TRANE Corporation.**

The following representatives from TRANE Corporation were in attendance at the meeting to present their RFP for performance contracting in the District:

Chris Jagers

Mark Begley, Energy Engineer

Paul Rice, Boiler Expert

John Lear

Ernie Tacogue

The focus of performance contracting for our district would be at BHS. There is a strong need for a new boiler at the high school, since it is currently running at half capacity. Because it is a critical issue for repair, this portion of the project would need to begin immediately, since the boiler must be built to work in the space provided. This portion of the project would be completed outside the performance contract and would cost approximately \$200,000. A major portion of the performance contracting would include replacing all lighting with LED lights, which have a ten year warranty. Sebastian Middle School would also get new controls for its HVAC system, external duct work would be replaced, along with lighting. For SMS, it would decrease their btu's by nearly 50%. It has the worst energy efficiency of any school we have.

If this RFP is chosen, TRANE would assign a project manager to us. TRANE would be responsible for completing the BG-1's required for the project. The total cost of the project would be nearly \$8,000,000. Most of the project would be paid through the savings realized from the project; however, it would require some building fund expenditures, leaving the district with approximately \$1,100,000 in bonding potential. In their analysis of our District and the needs we have, going ahead with the project would cost less in the long run than doing nothing because of the continued increase in energy costs, along with the necessary equipment replacements that will have to be made.

Jackson, Ky., September 02, 2014

**III. Discuss/hear bonding potential information with Ross Sinclair Inc.**

Glen Brashear presented information regarding the current bonding potential of the district, which includes the current SFCC Offers that the District has at this time. The District Bonding potential is quite low when compared to the facilities needs that we show on our Current Facilities Plan. In the current plan, we show a total need for renovations of about \$16,000,000. If the Board passed an additional "Nickel", which would be earmarked for facilities, we could raise our bonding potential to almost cover the total need with regard to renovations in our facilities plan. The increased property tax that citizens would pay is comparable to a tank of gas for a mid-size car, or two packs of cigarettes - for property valued at \$100,000. So, while it might seem like a huge increase, when you look at the numbers on a case by case basis, taxes won't go up that significantly. Not passing the additional nickel greatly inhibits the Board's ability to provide updated, safe, clean, comfortable schools for our students.

**IV. Adjournment**

---

Secretary

---

Board Chairperson