Larry B. Hammond, Superintendent

Board Report

November 16, 2021

Consideration of the RFPs for a GESC remains a major consideration for the district and you as a board. Being good stewards of taxpayer dollars is a primary expectation of board members. Weighing the strengths and weaknesses of companies is not something that can be taken lightly. This is especially true when evaluating budgetary projections and the escalating inflationary impact. Utilizing some of the ARP ESSER funds for this purpose could return dividends on the initial investment for years in the future, which will be greatly needed to meet ongoing financial challenges. Instructional needs will doubtlessly increase and this revenue stream could provide much needed assistance in finance. Both CMTA and Trane are reputable companies and we are fortunate to have proposals to evaluate. The different aspects of each proposal must be considered in conjunction with the total project cost. As you know, these companies are in the business to make a profit and consequently have different marketing techniques and strategies to accomplish their mission. I feel confident both companies have many satisfied customers.

With that said, I believe the primary consideration revolves around the overall cost and the resulting savings. Approving one of the proposals opens the door for negotiations to occur and a final project plan to be developed as permitted in KRS 45A.352. Upon completion of the plan, you will put a final stamp of approval of the details through board action at a future meeting. Due to the issues relative supply and demand in the economy, making a choice between the two companies in the near future further ensures the availability of equipment for project completion during the summer of 2022.

The base proposals are somewhat similar while having variances worthy of your review/ evaluation. The cost from CMTA is $2,583,040. and Trane’s cost is $1,996,000. with a resulting difference of $587,040. between the two proposals. CMTA’s Option B has a price tag of $4,932,809. and Trane’s Base Plus Alternate 1 has a price tag of $2,985,000. with a resulting difference of $1,947.809. CMTA has a savings of $136,000. Option B and Trane has a savings of $86,000. For Base Plus Alternate 1. The resulting difference in savings is $50,635.

If you were considering the second option from both companies, Trane’s option is $1,947,809. less expensive while CMTA has a savings of $50,635 per year more than Trane. You would also need to consider the annual interest cost for the additional bond for the CMTA proposal. Mathematically, CMTA is significantly move expensive than the Trane proposal. These numbers must doubtlessly weigh heavily on your mind as a decision regarding the proposals is made. With your commitment to the district and taxpayers, I feel confident your decision will be best for everyone.

The transportation department is reporting very positive news today. A new driver will be added to the list. She passed the driver’s test today and will be driving the route previously covered by bus #1405. Another candidate will be taking the driver’s test next week and we expect him to receive his license as well. These additions will make a significant difference in the delivery of service to the student and families of the District.