

Minutes of **Wednesday, August 20, 2024, Public Board Meeting** of the Orange Board of Education held at 6:00 pm.

Vice President Shawneque Johnson is presiding over today's Meeting.

Ms. Johnson introduces the meeting, which aims to vote on the ESSIP bill. She inquires about updates from Mr. Ballard regarding the bill's details and confirms that all members have received the ECI list. She encourages any questions or concerns to be addressed.

Mr. Ballard has requested a quick roll call before opening the meeting.

Ms. Sueann Gravesande
Mr. Derrick Henry
Ms. Samantha Crockett
Ms. Fatimah Turner, Ph.D.
Mr. Siaka Sherif
Ms. Shawneque Johnson
Mr. Jeffrey Wingfield
Mr. David Armstrong
Mr. Tyrone Tarver

ROLL CALL (8) PRESENT (1) LATE (0) ABSENT

ALSO PRESENT:

- Mr. Jason Ballard, School Business Administrator/Board Secretary
- Mr. Lamont Zachary, Assistant Business Administrator/Board Secretary
- Jessica Kleen, School Board Attorney Substitute with the firm of Machado

Ms. Johnson initiates the Public Meeting by asking for any discussion topics, and then proceeds to obtain a motion to vote on the ESSIP resolution.

Mr. Ballard clarifies that there are multiple EEP resolutions and requests more specifics for the record.

Ms. Johnson verifies that it encompasses the complete set and requests a motion to approve items I9 through I15.

Moved by Dr. Fatimah Turner Seconded by Mr. David Armstrong
ROLL CALL (8) YEA (0) NAY (1) ABSTAIN (0) ABSENT

Tyrone Tarver is requesting clarification on the decision to proceed with Honeywell, having reached out to the business administrator but not yet receiving a response. He is interested in reviewing RFPs and responses submitted by other entities.

Mr. Ballard confirmed that no Requests for Proposals (RFPs) are currently associated with any projects under the ESSIP. Honeywell is engaged due to an existing cooperative agreement, which allows them to utilize their services. No RFPs related to the ESSIP or its contractors have been processed at this time. Mr. Ballard informed Mr. Tarver that he had seen an email addressed to Mr. Zachary and Ms. Gravesande, but since it was not addressed to him directly, he chose not to reply.

Ms. Gravesande wishes to formally state that, despite her offline discussions regarding the boilers with Mr. Ballard, she intends for the public to be informed that the boilers will come with a one-year warranty. Additionally, there is a plan to offer an extended warranty.

Mr. Ballard affirms that this is accurate.

Ms. Gravesande expresses her apprehensions about the maintenance of the project. She highlights that maintenance does not seem to be included in the overall budget. For example, take the LED lights; should they start to malfunction in three years, their replacement will be required. In that case, will we be accountable for those maintenance costs? Will we need to allocate additional funds within the budget to address these maintenance expenses?

Mr. Ballard addresses both inquiries. He first affirms that there is indeed a one-year contract, which aligns with standard practices for construction projects. Typically, an extended warranty for the boilers would be purchased, and this is precisely what the SDA is currently facilitating for the Cleveland Elementary School projects.

Regarding routine maintenance, he explains that there exists an annual agreement with Honeywell to ensure the proper functioning of all systems. Should we choose to maintain our partnership with Honeywell, we have the option to extend this agreement for an additional year or more. In terms of the maintenance of the fixtures themselves, the process is comparable to that of any other lighting fixture within the district. Once we transition all bulbs to LED and implement the necessary technology, if the bulbs operate for three years and subsequently fail, we will need to replace them. This is like the current procedure, where any non-functioning light requires replacement.

Dr. Turner communicates to the board and the public that all inquiries raised concerning the facilities have been thoroughly addressed, providing adequate responses to each concern related to the one-year warranty on boilers and the lighting fixtures.

Ms. Johnson inquires about the boilers, noting that both Dr. Turner and I have engaged in discussions regarding this matter, as it has raised concerns for both of us. She seeks clarification on the nature of an additional warranty. Specifically, she wishes to know if there is an annual fee associated with it and whether this is a reasonable question to pose.

Mr. Ballard explains that the standard procedure involves purchasing the extended warranty provided by the manufacturer for the boiler, uninvent, or similar equipment. Typically, these warranties range from three to five years, with some options extending up to ten years, depending on the manufacturer's offerings. It is important to note that there is no requirement to renew the warranty annually; rather, it is acquired in a single transaction for the specified duration. At this moment, the exact terms of the warranty remain uncertain, as the vendor and equipment have yet to be determined. Once these selections are made, we will engage in detailed discussions regarding the warranties available.

Dr. Turner further stated that they informed us of their intention to conduct thorough research in the pursuit of equipment. They indicated that they would diligently seek a vendor who could provide either the most comprehensive extended warranty or a warranty of some kind. We expressed our concerns regarding this matter, and they assured us that they would make every effort to ensure our coverage.

Mr. Sherif emphasizes the importance of understanding the bond and its application. Last year, clarification was provided, and everyone agrees. It's crucial for the public to be aware of this issue to make correct decisions and pass the appropriate resolution for the project.

Mr. Ballard acknowledges Mr. Sherif's accuracy in stating that last night, and states that he has forwarded correspondence from attorney Tony Solimene, which delineates the distinctions between these bonds and a standard bond issuance. These are classified as refunding bonds. Unlike regular bonds, these do not require voter approval for the amount being bonded, as stipulated under statute NJSA 18A24-61.1. Mr. Solimene provided information that specifically addresses refunding bonds and our capacity to utilize the existing utility line for financing these bonds. He further adds that it is important to note that no new funds are being issued, and this does not constitute debt service, nor does it affect our 2% cap and tells all that Mr. Solimene can provide more detailed explanations on bond aspects.

Mr. Henry indicates that you have already discussed the difference between a new debt service bond and a refunding bond. This issue has been clarified. Additionally, the final decision-making power will lie with either the school development authority or the local finance board, as both entities possess considerable authority in this matter.

Mr. Ballard clarifies that the entity involved is not the School Development Authority. We will be applying to the local finance board located in Trenton. This application will undergo two readings. A resolution regarding the issuance is part of the agenda for this meeting. Should it receive approval, a second reading will occur at the following meeting in September. He also requests Mr. Solimene to verify whether he has pronounced that correctly.

Mr. Solimene acknowledges that Mr. Ballard's assessment is accurate, and Mr. Henry's position is also valid. It is necessary for us to apply to the local finance board. Consequently, this resolution, which permits the initial reading of the funding bond ordinance, also authorizes the application to the local finance board. We will collaborate with your financial advisor to prepare the application for submission to the local finance board, and we plan to attend their hearing, which, if I recall correctly, is scheduled for September 11th. Our application will be presented at that time, and we will require their approval to proceed with the issuance of the refunding bonds.

Mr. Henry asserts that the LFB functions as the hearing authority, if not the issuing entity, regarding this issue. He seeks clarification on whether it is correct that, in the case of an error, they would supply us with the required corrections and direct us to resubmit.

Mr. Solimene affirms that this information is correct.

Mr. Henry conveys his satisfaction, indicating that he finds this to be outstanding and acceptable. He also mentions that he has finalized his investigations and discusses the comparison between LFD refunding and new debt service.

Mr. Ballard confirms the accuracy of Mr. Henry's statement and elaborates that, as previously indicated, we will utilize the current utility line to fund the construction projects. These projects include boilers, unit ventilators, HVAC systems, and the building management system, all while ensuring that no extra costs are added to our operating budget.

Ms. Johnson inquires whether everything is understood and if we may proceed with the vote at this time.

**Mr. Ballard requests a roll call vote regarding I9 – I15.
ROLL CALL (8) YEA (0) NAY (1) ABSTAIN (0) ABSENT**

Ms. Johnson expresses her gratitude to all attendees and motions to have the Meeting Adjourned.

**Moved by Dr. Fatimah Turner Seconded by Mr. Armstrong
ROLL CALL (9) YEA (0) NAY (0) ABSTAIN (0) ABSENT**

Mr. Ballard expresses gratitude to Honeywell partners and appreciates their involvement. He thanks Mr. Solimene for contributing to the discussion and plans to follow up after board approval. Resolutions will be sent to continue the application process. He appreciates the board members for endorsing the initiative to introduce essential capital projects to improve facilities. This effort, three years in the making, aims to advance the district. He acknowledges team members' contributions and extends heartfelt thanks to everyone involved, including Dr. Fitzhugh, Mr. Lamont Zachary, Ms. Karen Nagel, Mr. Edwin Vasquez, and Ms. Karolet Rodriguez.

Dr. Turner thanks Mr. Ballard and Mr. Zachary for their passion for alternative education methods. Their dedication is valued alongside academic excellence. Grateful for their efforts in guiding informed decisions to improve the district, thanks extended to their team, and all involved in the process.

Mr. Solimene acknowledges that board members often do not have insight into the intricacies of the decision-making process. However, he emphasizes that Ms. Nagel, Mr. Ballard, and Mr. Zachary were extensively engaged, posing numerous questions, and delving deeply into the details. They ensured that the plans were thoroughly considered and meticulously prepared, engaging in significant negotiations behind the scenes. Their dedication and effort have been substantial, assuring all that you are in capable hands.

Ms. Gravesande extends her sincere thanks to everyone for dedicating additional time to reviewing all matters prior to the voting process.