

Spotlight on the Board

Notes from the District 15 School Board Meetings

April 15th, 2009

This was a Regular Board of Education meeting. All Board members were present including newly elected members Peggy Babcock, Mark Bloom and Richard Bokor.

Committee of the Whole Meetings Agenda Attachments (Web site)

Board member Sue Quinn – Asked for this item to be put on the agenda. The Board has been having a series of Committee of the Whole meetings. Board packets had been given to BOE candidates and now three of them will be on the Board. However, there is a lot of community interest in these topics as well and there is not access to those documents to the community. A lot of the information is very detailed but a lot of it is presentations that are given to the BOE with small numbers, that even if you were in the audience, you would not be able to see it. Quinn thinks it would be prudent of the Board to put that information on the district's Web site. She would like to see it retroactive because the Board will be coming back to address a lot of this information in the next several months. With the new Board being seated, we will hopefully be making some decisions moving forward. Quinn wanted to get a sense of what the rest of the Board thought about putting these attachments online.

Board President Gerald Chapman – Asked the superintendent if that was a difficult thing to do? (*No*) Asked the Board is there was a sense that this was something they wanted to do? (*Board agreed*).

Board member Tim Millar – Wanted to elaborate and state that the Committee of the Whole meetings are just discussion, there is no action being taken. These are presentations and other information that is given to the Board.

Disclosure Statement for Bids

Chapman – At our last meeting, we discussed putting a disclosure statement on our bids. Our attorney indicates that he had reviewed the Board Policy and does not recommend that we need a disclosure statement and in fact the Policy is comprehensive.

Quinn – She agrees partially with what the attorney's opinion is on this issue but when she looks at what he said, one of his points was that the IL School District Asset Fund was already recognized or approved according to our Policy 4:30. However, it doesn't need to be. Looking at the School Code, there is no requirement for that to be in the Policy whereas 99% of the rest of our Policy is straight from the School Code and gives line item by line item. One method of addressing this issue would be removing that from our policy, we can address it by changing the policy. The attorney also recommends that we enhance our Policy to have some kind of ethics and conflict of interest. Quinn would like to see this Policy come back to the Board for reconsideration.

Chapman – We can have the Policy Committee take the attorney's information and come back with a recommended Policy. **Board member Tim Millar** – He still likes the premise of a disclosure from the standpoint of – the attorney only references financial; there are other disclosures as well. The attorney wouldn't know that some organizations are giving money back to other organizations that our staff are members of. Millar is not sure if the comments cover that. **Chapman** – His position is that we know the issue Millar is talking about and we will look at that as part of the Policy committee.

Board member Kelly Keenan – Asked if there was any way to have administrators who use the Policy day in and day out, sign off that they have read and understand the Policy? Because they are saying, yes we have read your Policy, we understand your Policy and we will abide by your Policy. It doesn't always happen (reading the policy) and it would take care of the whole thing about making a disclosure statement. Keenan would like to know that everyone is reading the Policy. It doesn't always happen.

Quinn – We can always discuss that when we bring the Policy back for consideration.

Establish Ending Date 2008/2009 School Year

Due to the district's use of three emergency days (snow/cold) this year, the official last day of school for 1st through 7th grades is Monday, June 8th which will be a half day. The last day for kindergarten is Friday, June 5th.

Bid Award – Natural Gas

Millar – Said that the district's current provider is Constellation, they do a very good job of managed services. The way this bid was done was different than a few years ago. Instead of looking at historical data to find out who did the best managed service, this was more of a bid on current market price. After talking with people in the industry, they said that nobody typically beats Constellation's managed services. If you remember, the IEC at that time also put a proposal to D15, and the IEC was historically 16% higher than Constellation was and that is why D15 went with Constellation.

What has happened since then is the IEC (Illinois Energy Consortium) now bundled with Constellation as their exclusive management because they do such a great job. Now the complexity came in with IEC and wouldn't allow D15 to go to Constellation for a new contract. However, Millar spoke with Constellation and they said D15 could rollover its existing contract which is an MBP program. That is one option. Today Millar would like to ask if D15 could go month to month for right now and delay it until we can get more information on this. He is not comfortable going with the "spot" market (for natural gas) – this \$300,000+ a year expenditure.

Quinn – Agrees thinks the Board should take a look at what our other options are if Constellation is an option to bid out there. Thinks we should see what they have to offer outside of the IEC.

Asst. Superintendent Rebecca Allard – The current Board Policy says that we have to bid this service every two years - when the current contract with Constellation was over.

Quinn – Doesn't think the policy would preclude us from using the rolling over if we had gone through the bid process if staying with what we have is better.

Chapman – We have a policy and we went out to bid. Now we are having an individual dialogue (referring to Millar's conversation with Constellation) which Chapman doesn't think is appropriate in terms of dialogue with a bidder on a bid. The bidders had the opportunity to present their best price and we had the opportunity to weigh it, make a decision – reject or accept. Chapman doesn't think we should be negotiating. If the policy is to bid, then we bid. If the policy said that an individual negotiates with a supplier, then that is what we do. That is not what our policy is.

Keenan – Agrees to some extent, but just because you have a rule doesn't mean you follow it without thinking about what is going on. We did go through the bid process. Because we went through this about 3 to 4 years ago, Millar had some information that we all didn't have – and because of the Open Meetings Act, we are unable to call each other and say that we have some additional information. So Millar looked into this other information. She doesn't have a problem with that at all. Millar then came back to the Board and said this is what I found. He is not negotiating a contract with them, he is providing the rest of the BOE information that he got. Keenan doesn't see how Chapman can tell a Board member . . .

Chapman – What he is saying is that the administrators did what we told them to do. In our policy, we seek bids as opposed to negotiating a contract.

Keenan – And they did that and we said "thank you" and now we have information that we want to do something else. **Chapman** – Well I don't know if we do, but some do. The issue before us is – do we want to accept or reject these bids?

Keenan – Her understanding is – are we going to pick them to be our provider based on the bids? We are saying we pick NICOR based on these bids. And Millar is saying, based on these bids I have additional information and NICOR isn't the best for our district.

Chapman – Right, let me clarify. We have the bids in front of us – we have the right to accept them or reject them. If we reject the bids, then we can look for other options. Thinks that is what Millar is saying.

Millar – What he is saying is – in the past, we did a different process. The process for this is different. The RFP we did before, when we asked vendors was based on historical data on a managed service program. This is a spot market, it is very different than what we did a couple of years ago. Millar is not saying that the administrators didn't do a great job getting the bids. What he is saying is that we may have a better result with an RFP looking at historical data, who manages the system better. You can always go to a "spot market" – that is what a consumer gets in their bills every day. This is a managed program, we didn't bid for a managed program.

Chapman – Right, but we can't guarantee that we would get better pricing if we go to a managed program. **Millar** – No and you can't guarantee that you would get better pricing going with this.

Chapman – Asked, if we go to a managed program, could all of these vendors (who bid) still be part of the process? **Millar** – Natural gas is complicated, very different.

Chapman – Asked Allard what the timeline for a managed program like Millar is talking about?

Allard – We would have to reject these bids. We would have to have a reason to reject them. Then we would have to develop the bid specs. Doesn't think they would be able to come back in June, it would be the August meeting. The current contract ends May 31st.

Quinn – Asked if there was a possibility to go month to month with our current contract until we resolve this with more information for a more robust bidding process? **Allard** – She would assume so.

Board member Nancy Lee Carlson – Is concerned about rejecting bids. We need to be cautious about what we are doing. Does the contract allow us to continue or not?

Quinn – Doesn't feel that she has enough information to make the decision tonight. She would like to see at the May 5th Board meeting – what our options are here in terms of rejecting these bids and going for a different RFP process?

Chapman – We do know that May 5th is within 60 days (timeline of accepting/rejecting the bids). Asked if Quinn wanted to motion to table this until May 5th?

Keenan – Are we asking for the administration to come back with the managed service information?

Chapman – Well, what the options would be? Whether or not we have the ability to extend our current contract? Do we have the ability to purchase natural gas with our current contract with Constellation after May 31st? If so, then we have the ability to go with the second option of seeking bids. We will know if our hands are tied or not.

Motion to table awarding the Natural Gas bid until May 5th – Unanimously approved.

Bid Award – Curtain Wall

Quinn – Had asked for and received more information from Allard about the nature of this bid. For the amount of money we are spending (\$1.8M), there is very little information. Through her back and forth with Allard, Quinn has come to understand that what was originally in the district's Life Safety for the curtain walls, it was originally estimated higher but is now estimated to cost \$1.3M in current conditions for the work originally proposed to be done. On top of that are these "alternates" numbers 1 through 8 which are different pieces of work that have been added on to our original Life Safety identified problems, which are still "B" items. That is an additional \$500,000 worth of work.

The first thing Quinn would like to see is to separate those - \$1.3M and then the alternates totaling \$500,000. Some alternates are recommended, some are rejected by our staff. She would either like to look at those individually, because some of those are things that literally grew out of the original work. For example: now we have to replace the blinds because when we tore down the wall, we couldn't use the old blinds. That is a reasonable outgrowth of the original work. Some are more cosmetic. She is hesitant to spend money on things that we could do without.

Chapman – Asked Allard - If we not to award the bids tonight, could we ask the administration to come back at the next meeting with a rationale and a breakdown of what each of these alternates that are recommended cost on an individual basis. **Allard** – If we don't accept some of the alternates, it goes back to ordering materials, etc. We wouldn't be able to complete the work this summer

Architect Pat Callahan was available to discuss alternates/answer questions that are in the bid.

Chapman – Wanted to know if we can award the bid and look at the alternates at the May 5th meeting with more rationale? **Callahan** – It would be acceptable to award the bid and then accept the alternates at the next available opportunity with a change order with the stipulated amounts in the bid.

Chapman – The question is would it interfere with the contractor in terms of their preparation?

Callahan – There are only two issues that he sees – Alternate #7 and #6 that would be consistent with the concern of schedule of ordering materials. Those two alternates are tied to the materials. Alternate #7 costs \$142,700 and #2 for external doors costs \$27,735.

Quinn – Wanted to tackle #7 first. That is \$143K for some additional windows. If we weren't redoing the walls right now, we wouldn't be considering adding new windows. It is a separate piece in a sense that it is an enhancement, it is cosmetic. There are a lot of places around the district where we could spend \$143K that would enhance student performance.

Keenan - Why are we replacing the windows? **Callahan** – The windows are part of the curtain wall system. The purpose of the alternate was to provide operable windows in the system. If you were ever going to consider that, now would be the time to do it. **Keenan** – So now matter what, we have to replace the windows whether they are operable or inoperable. We can't use the existing ones.

Board member James Ekeberg – It seems to make sense, that if you are going to do it (do it now) because you are replacing the windows.

Quinn – This alternate is for "additional" operable windows. Asked Callahan if that was correct?

Callahan – Yes, he completely concurs that it would be an enhancement to the system. But this is now the only time to decide if you want to add additional operable windows.

Keenan – But we aren't adding more windows (to the wall), only additional operable windows.

Quinn – Right now, we have a wall that has windows that don't open. **Callahan** – Correct.

Quinn – So we are going to replace a wall that is cracked and we still won't have windows that open unless we spend \$143K, then we will have windows that open. **Callahan** – That is correct.

Keenan – So it is costing \$143K for four windows to open?

Millar – Asked if there was already one pair (two windows) of operable windows included, correct?

Callahan – I believe that is correct.

Millar – So this is adding another pair (of operable windows). There is already a pair of operable windows in the plans. This is to add a second pair of operable windows.

Keenan – So we would be paying \$143K for a second pair of operable windows?

Quinn – She would like to make a motion that the Board vote on #7 (windows) separately and delay the rest of the alternates. **Chapman** – Thinks the Board should talk about the "base Bid" of \$1.3M and then these two (#2 and #7) are the critical ones and vote on those separately.

Vote on base bid of \$1.3M – Approved: 6:1 (Quinn voting no).

Motion on Alternate #2 (exterior access doors) at a cost of \$27,735

Board discussion before vote -

Chapman – This provides an exterior access as a safety measure.

Quinn – Doesn't understand what this is – All this (information) says is: Add alternate to provide exterior doors in kindergarten rooms for Lake Louise, Hunting Ridge. Eliminating the doors was a consideration (in the base bid). Asked Callahan, are there doors right now?

Callahan – Yes. **Quinn** – So we are putting back the same doors that were already there and we are rebuilding a wall around it. **Callahan** – The doors are integral to the curtain wall. The base bid was to replace the curtain wall in its entirety and eliminate the doors. Doors in kindergarten rooms are not required to be connected to the exterior. It is a convenience for that age group. There is sufficient access through the rest of the building for safety and a fire exit. But the fact that the doors were there and the rooms are still being occupied, this (alternate) was to say that we will retain the doors but it

will be an increased cost (\$27,735). **Quinn** – She is surprised that it wasn't included in the base bid. Why wouldn't it be included to replace what was originally there?

Callahan – It was just to give the Board some additional options.

Vote on Alternate #2 at a cost of \$27,735 – Approved 6:1 (Quinn voting No.)

Motion to add the additional operable windows at a cost of \$142,700

Board discussion before voting -

Keenan – Right now we have operable windows in other junior high classrooms. Are there any operable windows in these buildings?

Chapman – All of our buildings are heated and air conditioned. This would provide additional fresh air in the facilities to where air flow is already provided and comfort is already provided for the students.

Callahan – Correct and in the event of an emergency, there can be an auxiliary exit.

Keenan – She likes all of the pros, doesn't understand what the cons are. Are there other cons besides the cost? If it is raining and you forget to close the windows, will there be a flood? Just asking, what are the cons (to not providing the additional operable windows)?

Chapman – To him, he just doesn't think it is worth \$143K to open windows.

Millar – Wants to verify one more thing. All of the rooms already have one set of operable windows in the architect's plans? **Callahan** – Yes, every room has a set of operable windows.

Millar – This (\$142,700) is just to add that second set (of operable windows).

Keenan – This is just for a second set, they are already planning to put a set (of operable windows) in.

Chapman – Some will be able to open, that takes care of kids having to get out in an emergency.

Chapman – The motion before us is whether or not we want to spend \$142,700 to provide additional operable windows.

Vote on Alternate #7 at a cost of \$142,700 – Defeated 6:1 (Ekeberg voting Yes.)

Bid Award – Carpet and Resilient Floor Tile Replacement

Quinn – This is great because we are coming in under our budgeted \$250K. It is only costing us \$178K. She would like to reiterate that she would like to see an ongoing tabulation (of costs).

When the Board made its original authorizations to spend \$7M this summer in capital projects, it was not a blank check to say "go spend \$7M dollars". It was an order to go do certain things. We want to know how much money the district is going to be able to keep in the bank because we don't want to be draining the reserves if we don't have to.

Vote to award bid – Unanimously approved.

Contract Renewal – E-Rate Consultant

Quinn – Pulled this item from the Consent Calendar for further discussion before a vote. She looked up this item to understand what E-Rate was and to her shock; she found that the district pays a lot of money for consultants to help us get grants from the government to pay for some technology. It is great that we are getting money (grants) from the State but we are paying the consultants a large amount of money. Based on the estimates our administrators gave us on how much we receive in grants and how much it cost us to get those grants, it is **approximately \$40,000 dollars a year**. We could employ our own part-time E-Rate specialist. She hesitates to approve this item but at the same time she doesn't want to hamper our operations. Apparently this is something that our new Policy is bringing forward to us because it is a contract over \$10,000. This is great and means the Policy is working. This is something that she would like the district to at least bid out but also look at a variety of organizations that do this type of consulting work. Just because we have used this company for years doesn't mean it is the best price, at least bid it out. But also consider the option for hiring someone internally.

Carlson – We used to actually have someone and it cost much more than \$40,000 dollars. That is why we terminated the grant writer. **Allard** – The reason school districts hire consultants is because of the ever-changing federal regulations. It would require a full-time staff member to keep up with the changes. Our E-Rate applications are filed on a timely basis and we capture the dollars that we are entitled to. In her experience, the dollars paid to a consultant pay for themselves with the reimbursements that we get. **Keenan** – How many grants did E-Rate do for us last year?

Carol Gajewski, Technology – On their website, they post all of the contracts for District 15 so other people can send us proposals for these contracts. It has to be very transparent. There are seven different areas for E-Rate funding. The consultant would work all of that up, talk to people in the district about different items, go over all of the contracts. For instance our contract with Twotrees Technology, portions of their services are E-Rateable, the other portions are not. The consultant would look over the newest laws and see what works, doesn't work for the district.

Chapman – In order to qualify for E-Rate, in affect what you are doing is hiring a company to audit the services that we are purchasing that qualify for E-Rate. Then you apply for some of those services. So it isn't how many grants you are applying for, it is the internal audit that determines which of those contracts we have provide the E-Rate funds back to the system. That is the expertise.

Keenan – How long have we employed E-Rate?

Asst. Superintendent Jim Garwood – Doesn't have the exact answer but it has been years.

Keenan – There is no cost analysis done here. Everyone says we are saving money, they are getting us money, but there is nothing written down. Nobody actually went and looked at how much this is saving the district, how much are they winning, how many laws actually changed.

Chapman – We are paying them a percentage. It may be better to say, how much money did we get through our E-Rate consultant. Asked if there was an estimate? **Garwood** – About \$170,000 dollars.

Chapman – That is \$170K that if we didn't apply for, we wouldn't have gotten.

Board member Wendy Rowden – So if they don't save us money, they don't get paid?

Garwood – They get paid less.

Quinn – It is like paying someone to do your taxes. Either it is too complicated to do yourself or you think they are going to save you some money and claim deductions you might not have caught yourself. These guys (E-Rate) are on the line of we are finding you deductions that you wouldn't have normally found so we are going to save you money. Whether we would have found those or not, is hard to prove. It is disturbing that we need to have a consultant to help us apply to the government to get money for this E-Rate program. At a minimum, we need to bid out our tax consultant and make sure we get one that isn't robbing us blind and is charging us a fair rate. She does see a possible justification for a consultant and would like to see it. However, there is no justification for not bidding this out. Quinn would like to know when the district can bid it.

Allard – The next time to evaluate the contract would be January 2010.

Chapman – So we can bid this during the 2009/2010 school year.

Allard – We can put an RFP together and award a contract in June or August.

Motion to amend the E-Rate contract for one less year (2008 & 2009) and go out to bid for 2010. – Unanimously approved.

Vote to award E-Rate contract as amended for 2008-2009 – Unanimously approved.

Contract Renewal – Internet Management Services

Quinn – Asked to have this item pulled from the Consent Calendar for further discussion. She has two questions. Why wasn't this contract brought to the Board earlier because apparently we have already signed the contract. That disturbs her. **Allard** – The reason it is brought forward is that it is over \$10,000 and there was an error. **Keenan** – Asked when it was signed? **Allard** – It was signed on February 10, 2009 by someone in the business office.

Quinn – So they made an error and we are now correcting that error. Her second question is – Does this contract meet our future webhosting needs? This is a two-year contract and we just talked about possible infrastructure changes, bandwidth expansion and Web 2.0 possibilities in the future. This

contract is already locking us into two years. She wants to make sure that they have the capability to give us more service. (Gajewski explained services other than webhosting that are provided.)

Keenan – Asked if there were signing authority limits in the business office?

Allard – The policy defines those limits. **Keenan** – So anyone in the business office can sign a contract? **Allard** – Certain positions have the authority to sign contracts.

Keenan – There is no dollar limit for that except what is in the policy?

Motion to approve the contract – Approved 5:2 (Keenan and Millar voting No)

Adjournment

The Board adjourned at approximately 9:25 p.m. There was no executive session.

CCSD15 Summary of Board Actions and Official Minutes

A "Summary of Board Actions" will be posted on the District 15 Web site as quickly as possible after each Regular Board of Education meeting, usually within two days. Official minutes of Board of Education meetings cannot be posted until after they are approved by a vote of the board at the next regular monthly meeting. Board of Education meetings are open to the public, and all board actions, with the exception of closed sessions, are considered to be public records.

www.ccsd15.net/AboutDistrict15/BoardOfEducation/HTML/BOEMeetingDates.html

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