

Rochester Joint Schools Construction Board
Monthly Meeting Minutes
February 12, 2024
4:00 PM

Present – Called to Order by the Board Chair at 4:02 PM

The meeting was attended by Board Chair Thomas Richards, Vice Chair Shawn Farr (virtual), Treasurer Kim Jones, Richard Perrin, Jesse Dudley, Jacob Scott, Ron Gaither, General Counsel Ed Hourihan (virtual), General Counsel Greg McDonald (virtual), General Counsel Melissa Mahler, ICO Brian Sanvidge, State Monitor Jaime Alicea, State Finance Monitor Mark Potter, and RCSD Superintendent Carmine Peluso.

Approval of Minutes

Monthly Meeting held on December 11, 2023

Motion by Board Member: Jesse Dudley

Second by Board Member: Ron Gaither

Approved: 7-0

Action Items

Resolution 2023-24:21

Audit Report Acceptance

Moved by Board Member: Kim Jones

Second by Board Member: Shawn Farr

Adopted: 7-0

Resolution 2023-24:22

Pay Requisition Summary Acceptance (January 2024)

Moved by Board Member: Kim Jones

Second by Board Member: Ron Gaither

Adopted: 7-0

Resolution 2023-24:23

Phase 3 PLA Study Agreement

Moved by Board Member: Rich Perrin

Second by Board Member: Jesse Dudley

Adopted: 7-0

Resolution 2023-24:24

Ratifying Approval of Phase 3 Bond Underwriter RFP Release

Moved by Board Member: Jesse Dudley

Second by Board Member: Ron Gaither

Adopted: 7-0

Resolution 2023-24:25

Approval of Phase 3 Diversity Goals

Moved by Board Member: Rich Perrin

Second by Board Member: Ron Gaither

Adopted: 7-0

FUND BALANCE REPORT:

Chairman Richards asked consultant Kimberly Mitchell to review the details of the Fund Balance report with the Board. The payments from the previous month were deducted from the RCSD loan in the cash capital account. This left a balance \$748,762 in the loan fund and approximately \$5,239,924 in Bond funds, which does not reflect any interest earned in the account. The current pay requisition is comprised of four vendor payments from the RCSD Loan Fund totaling \$210,800.50. The remaining account balances are \$330,648 in the RJSCB Fund, \$4,503,855 in the Phase II Bond Fund, \$405,421 in the Settlement Funds and \$537,961 in the RCSD Loan Fund.

Meeting Notes

- The meeting began with the Independent Financial Audit report for year end June 30, 2023 by Drescher & Malecki. The auditors stated the audit was clean and they did not identify any material weaknesses or significant deficiencies in the operation.
- Chairman Richards explained that a PLA is a project labor agreement and that the purpose is to see if negotiations can be held with the Unions to bring some economic advantages to the program and to also deal with some things that would pose a problem if they were to occur, like a strike, for example. One of the things that need to be done in order to have a PLA is to conduct a study that shows what advantages might be justified by having the PLA. It is not a foregone conclusion that there will be a PLA. Should the Board decide it's a good idea, the Unions still need to agree to it. The study proposed by Seeler Engineering would explain how a PLA would work in this case and what advantages might flow from it. Member Rich Perrin asked if it would be possible to amend the agreement, if necessary. Chairman Richards responded that, if necessary, a change order would be prepared and presented to the Board for a vote. Member Perrin also asked for clarification of a point in the proposal that stated the projection of economic benefits will be based upon PLA terms and conditions agreed to in Phase 1 and it was explained that there was no PLA in Phase 2 so the framework used would be from Phase 1.
- In relation to the action item ratifying the release of the Bond Underwriter RFP, Chairman Richards explained that the previous RFP was modified and reviewed by the Board counsel before it was released. Chairman Richards also emphasized that no agreement will be entered into until the Board has had a chance to review it and vote on it.
- Independent Compliance Officer (ICO) Brian Sanvidge explained the process by which the Phase 3 diversity goals were arrived at. Anchin went out to the market and looked at all of the certified firms that worked on Phases 1 and 2 and worked with Project Management to get the anticipated schedule for construction for Phase 3 and a high level of what those projects would look like to drill down as to what NAICS codes would be involved in those projects. They then looked at all of the projects that are going on in the greater Monroe County area to see how the RSMP would be impacted. One of the issues discovered was that a fairly significant amount of certified firms that worked on Phases 1 and 2 were no longer certified to work on Phase 3. Anchin looked at firms within a 50-mile radius, figuring that would be the first draw, and then out to a 100-mile radius. After looking at that, their recommendation for Phase 3 diversity goals is 18% MBE, 12% WBE, 2% SBE and 2% DBE. There were 41 certified firms from Phases 1 and 2 that are no longer certified and that's why the adjustment was recommended. Anchin looks at NAICS codes that certified firms have and what they would be doing on a contract, making sure to stay clear of federal tax rules. The other significant part is to make sure there's a very well documented good faith effort document. Anchin has those forms and will make that part of the plan so that the documentation is there and that the 34% goal is reached for the Program.
- P  pin Accilien began the Program Manager's report by sharing that the Program Management team has been compiling and reconciling all four volumes of the Strategic Plan. Volume 1 is the summary of the full plan document on the review of the cost estimating and scheduling for each of the six Phase 3 projects. The narrative text for this volume will have background information, biographs and the work scope to be included in a core model program for each of the projects, including specialized programs for the high schools to fit within the authorized limit. Volume 2 is the financial plan that will be created in collaboration with the financial advisor and bond underwriter and Volume 3 is the diversity plan that will be prepared by the ICO. Volume 4 will have all the details of the master plan on a

school by school basis including the assessment reports, test fits that were conducted by the planning team, the cost estimates, allowances and building aid calculations. The current estimate for the projects is \$67 million dollars over the \$475 million dollar estimate so the team is working with the estimators and several experts to eliminate the overage. Capitalized interest does not typically get considered in the 95% aidability test, based on what's being done in Syracuse and Buffalo, so the hope is that the State will work very closely with the District to adopt the same principle. Roland Coleman reviewed a schedule depicting the dates for the SED Commissioner's approval dates which are integral dates to the financial plan because those approvals are what allows the awarding of contracts and the procurement of bond sales. For the first two projects, the Program Management team is expecting the RJSCB to authorize the release of the architect RFP in April and the selection of those architects in June, which will coincide with the submission of the Strategic Plan to SED. The closeout of the overall program is pushing into the first quarter of 2031 and the legislation requires the entire program to be complete by June of 2031. 2029 will be a very heavy period with three schools coming back online so coordinating with SED is going to be equally as critical as will the design and bidding process.

ADJOURNMENT:

5:02 pm.