

Rochester Joint Schools Construction Board
Monthly Meeting Minutes
March 13, 2023
4:00 PM

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

The meeting was attended by Board Chair Thomas Richards, Treasurer Kim Jones (virtual), Richard Perrin (virtual), Shawn Farr, Ron Gaither (virtual 4:03), Jesse Dudley (4:07), General Counsel Greg McDonald (virtual), General Counsel Melissa Mahler. Vice Chair Michael Schmidt was absent.

Approval of Minutes

Monthly Meeting held on February 13, 2023

Motion by Board Member: Richard Perrin

Second by Board Member: Shawn Farr

Approved: 5-0

Action Item

Resolution 2022-23:22

Pay Requisition Summary Acceptance (February 2023)

Moved by Board Member: Kim Jones

Second by Board Member: Shawn Farr

Adopted: 6-0

FUND BALANCE REPORT:

Chairman Richards asked consultant Kimberly Mitchell to review the details of the Fund Balance report with the Board. There were no changes to the CPL E&O Settlement funds. An agreement has been reached with Cannon Design so their open contract balance is now \$159,297. The payments from the previous month were deducted from the cash capital account. This left a balance of approximately \$5,773,300 in the Cash Capital account, which does not reflect any interest accrued in the account. There are four open contracts totaling \$177,428.41. The current pay requisition for \$78,937.61 is comprised of three vendor payments from the Phase II Bond Funds totaling \$17,302.63 and five vendor payments from the RCSD Loan Fund totaling \$61,634.98. The remaining balances are \$330,648 in the RJSCB Fund, \$5,755,998 in the Phase II Bond Fund, \$405,421 in the Settlement Funds, including \$200,000 from the Cannon settlement, and 266,683 in the RCSD Loan Fund.

Meeting Notes

- Chairman Richards addressed the Watts update that was included in the Board packet. The draft of the first part of the Strategic Plan is being circulated and reviewed and it is nearing the point where it can be shared with the District Board of Education, after which the second phase can be started. Additional funding needs to be approved in order to pay for the second phase and Vice Chair Mike Schmidt is taking the lead in preparing that for the March BOE meeting. The RJSCB will get to see the work that has been done by Watts perhaps at the next RJSCB meeting.
- Chairman Richards announced that we have received authority to issue the RFP for the Phase III Program Manager. It will go public on March 14, 2023 and be generally available on the RJSCB website, in the Daily Record and a few construction contracting services. A revised schedule was displayed for the Board which showed a recommendation for the selection of the Phase III Program Manager from the RJSCB RFP Committee to the full Board scheduled for

the middle of May. The selection must be approved by four other entities – the Superintendent and the Board of Education, separately, and the Mayor and City Council, separately. If anyone has a real problem with the process, or the people involved in the process, it needs to be known up front so that it can be accommodated.

- When the recommendation for Phase III Program Manager goes to City Council for approval, Chairman Richards explained that a proposal needs to be presented at the same time regarding how the Program will be financed in the interim. The entire plan should be discussed with the Council about what will be done and how it will be accomplished. An advance from the City was also done in Phase II. Treasurer Kim Jones volunteered to pull up the ordinance that shows the exact amount that was presented to City Council and Chairman Richards asked for it to be sent out. Member Perrin volunteered to work with Treasurer Jones to assemble the information.
- Chairman Richards reviewed a preliminary master schedule that has been drafted of all of the functions that have to occur to give some sense of what's involved and how many things have to happen and the likely timeframe for them. The RJSCB will rely on the Phase III Program Manager to put it together in a tight way. As reflected on the schedule, there are steps in the process that are outside of the RJSCB's control. In respect to the bond funding, the ultimate funding for the construction, it will require the full plan to be put together and that has to be approved by the Comptroller, which is outside of the control of the RJSCB. Should that lag, it pushes off every subsequent item. Right now, if everything goes according to the current schedule, the first time there would be any construction would be July 2024; and even that is optimistic. It's possible things could happen to positively affect the schedule.
- Chairman Richards pointed out that there are a couple of factors in the community that could influence the way the Program is done. There is a lot of construction work in the community which could affect the availability of contractors and labor. Those could influence how quickly the Program could get started as well as the way in which the Program is started, meaning whether the Program starts with a large project or a small one. The other factor that could influence the Program, one that is very worrisome, is construction inflation, which is now in the double digits. The Program has a fixed amount of funding so, to the extent that it has to absorb 20% of construction inflation, that 20% comes out of the total funding and eventually affects the amount of work that can be done. Chairman Richards is concerned because, to the extent that the schedule keeps getting pushed back, inflation will continue to be a factor. Member Perrin confirmed that cost escalation is an issue and, although the rate of increase has slowed, the prices will not be coming down and it will reduce the amount of work that could have been done prior to COVID-19.

ADJOURNMENT:

4:25 pm.