

Board of Education

Mesa County Valley School District 51

Special Meeting

February 5, 2010

Special Meeting Minutes & Work Session Record

A- Diann Rice
 B- Cindy Enos-Martinez
 C - Harry Butler
 D- Leslie Kiesler
 E- Greg Mikolai

Board of Education Mesa County Valley School District 51

Special Meeting Record: February 5, 2010
 Adopted: March 23, 2010

	A	B	C	D	E		ACTION
Present	x	x	x	x	x	A. Call to Order / Roll Call [Location: Western Colorado Community College]	9:00 am
Motion		x				B. Agenda Approval	Adopted
Second					x		
Aye	x	x	x	x	x		
No							
Motion	x					C. Trane Phase II Projects Adoption [Board Resolution: 09-10:136]	Adopted
Second		x				➤ Mr. Cal Clark, Mr. Jim Knutson, and Attorney David Price were present to answer questions and provided clarification.	
Aye	x	x	x	x	x	➤ Board members acknowledged the high-level of complexity and technical expertise involved in the documentation.	
No						➤ The financed amount, grants, and rebates were discussed.	
						➤ The lease/purchase agreement with Bank of America will be scheduled for Board action at the February Business Meeting.	
						<u>Announcement:</u> Mrs. Enos-Martinez announced the Multicultural Conference, scheduled on February 20, will be held at Mesa State College from 8:00 am – 4:30 pm. The conference title is, “ <i>Today’s Students – Tomorrow’s Leaders, Blending our cultures into higher learning.</i> ” Congressman John Salazar will be the keynote speaker.	
Motion				x		D. Executive Session: Negotiations, CRS Section 24-6-402(4)(e)	9:17 am
Second		x				➤ Mr. Butler asked for a motion and second to go into Executive Session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators. Specifically, the Board’s positions, strategy and instructions for negotiation of agreements with the MVEA to address actual and anticipated reductions in District revenue in the 2010-2011 budget year.	
Aye	x	x	x	x	x	Board Present: Mr. Butler, Mrs. Enos-Martinez, Mrs. Kiesler, Mr. Mikolai, Mrs. Rice	
No						Staff Present: Mr. Schultz, Mrs. Callahan deVita, Mrs. Martin, Mrs. Diers, Mrs. Kramer, Mr. Walker	
						➤ Return to Opening Meeting: 9:42 am	
Motion				x			
Second					x		
Aye	x	x	x	x	x		
No							
Motion				x		E. Meeting Adjourned: 9:43 am	Adjourn: 9:43 am
Second					x		
Aye	x	x	x	x	x	<u>WORK SESSIONS</u>	
No						➤ Negotiations with the Mesa Valley Education Association	
						February 5 9:45 am – 5:00 pm	
						February 6 8:30 am – 5:00 pm	
						_____ Jamie Sidanycz, Secretary Board of Education	

**Amendment No. 1 to Energy Performance Contract
(Phase 2 Project)
TRANE U.S., INC.**

Board of Education Resolution 09-10:136

Adopted: February 5, 2010

WHEREAS, approximately one (1) year ago the District and Trane U.S., Inc. (herein, the “Contractor”) entered into a Technical Energy Audit Contract (TEA Contract) pursuant to which Contractor conducted an audit of energy consumption and costs at District schools and other facilities to determine the feasibility and cost of implementing energy and utility cost saving measures for the District, and presented their findings and recommendations to the Board; and

WHEREAS, the District’s administration and Contractor subsequently negotiated a proposed energy performance contract dated June 24, 2009 (EPC), as contemplated in section 2.A(ii) of the TEA Contract and section 29-12.5-101(3), C.R.S., for implementing the first of three planned phases of the recommended energy saving measures, namely the replacement and expansion/upgrade of certain mechanical and HVAC equipment and systems at Grand Junction High School and the District-wide installation of energy efficient lighting and lighting control upgrades (together, the “Phase 1 Project”) and for the provision of certain ongoing maintenance, monitoring and verification services related to such measures (the “Services”); and

WHEREAS, having substantially completed the Phase 1 Project, the District’s administration recommends that the Board approve an amendment to the EPC (“Amendment No. 1”), a copy of which is attached, for the installation, monitoring and maintenance of a second phase of energy conservation measures, including installation of energy efficient lighting and lighting control upgrades at additional designated school facilities not included in the Phase 1 Project, replacement and expansion/upgrade of mechanical and HVAC equipment and systems at additional school facilities, installation and implementation of new building automation systems controls at a number of District school facilities, and replacement and expansion/upgrade of certain school kitchen equipment (herein, the “Phase 2 Project”); and

WHEREAS, Amendment No. 1 calls for the District to pay **\$4,531,077.00** (herein the “Additional Contract Sum”) in addition to the \$4,102,761 Contract Sum for the Phase 1 Project for the remaining balance of deferred compensation for Contractor’s work under the TEA Contract and all labor, materials, design, engineering, equipment and services to complete the Phase 2 Project, **plus** additional annual fees for the Services related the Phase 2 Project as specified in Schedule D-1 to Amendment No. 1; and

WHEREAS, the EPC as amended by Amendment No. 1 would obligate the District to contribute up to **\$1,129,263** toward payment of the Additional Contract Sum; and

WHEREAS, most, if not all, of the District’s additional capital contribution may be recouped through utility award or incentive payments the District expects to receive from Xcel Energy upon completion of the Phase 2 Project, although the District’s receipt of such incentive or award payments is not guaranteed; and

WHEREAS, except for a small portion of the Additional Contract Sum that will be funded through a NEED grant from the Colorado Governor's Energy Office, the remaining balance of the Additional Contract Sum is to be financed through a second lease-purchase agreement with Bank of America, N.A., which the administration will present to the Board for approval by a separate resolution at its next meeting; and

WHEREAS, as with the Phase 1 Project, the EPC as amended contains Contractor's guaranty that the Phase 2 Project will yield a level of energy and cost savings sufficient to cover the District's additional lease payments to Bank of America, N.A., as well as the Contractor's annual monitoring and maintenance fees during the term of the EPC in accordance with §29-12.5-103(a), C.R.S.; and

WHEREAS, upon completion of the Phase 2 Project, the energy and cost savings guarantees applicable to both projects will be merged and consolidated into one combined and cumulative guarantee, such that the Phase 1 Project and the Phase 2 Project shall be considered a single project for purposes of monitoring and verification of total energy and cost savings under the EPC; and

WHEREAS, the administration has recommended that Amendment No. 1 be approved on the same basis as the EPC, thereby requiring, under Policy DJE, that the Board waive application of the competitive bidding requirements of Board policy; and

WHEREAS, the Board has been fully advised as to the reasons therefor, and deems the same to be adequate justification for waiving the competitive bidding requirements of Board policy, and finds that it is in the interest of the District to enter into Amendment No. 1.

NOW, THEREFORE, RESOLVED that the Board of Education approves the attached Amendment No. 1, subject to final review and approval of the District's legal counsel, and authorizes and directs the Superintendent to enter into and to execute on behalf of the Board a copy of same in form substantially similar to the attached copy, as soon as all the accompanying schedules, exhibits and appendices are finalized and complete and the District's legal counsel has approved same, without compliance with the competitive bidding requirements of Policy DJE.

I certify that the information contained herein is accurate and was adopted by the Mesa County Valley School District 51 Board of Education on February 5, 2010.

Jamie Sidanycz
Secretary, Board of Education