

MIDDLETOWN AREA SCHOOL DISTRICT
JOINT ATHLETICS/OPERATIONS MEETING MINUTES

2/13/2018 6:04 p.m. @ Middletown Area High School LGI Room

Board Members in attendance: Mike Corradi, Melvin Fager Jr., Dr. Julie Gomboc-Turyan, Christopher Lupp, Linda Mehaffie, Darnell Montgomery, John Ponnnett, Jr., and Jennifer Scott

Board Members not in attendance: Dr. Brian Keating

Staff/Public in attendance:

District Administration: Dr. Lori Suski, Superintendent of Schools; David Franklin, Chief Financial Officer/Board Secretary; Michael Carnes, High School Principal; William Meiser, Director of Operations; Cliff Smith, Athletic Director

District Staff: Cody Heitefuss, Dawn Zimmerman

Interested Students and Citizens: Daniel Hinchcliff, Lori Hockenberry, David Horn

Reporter: Dan Miller

1. Opportunity for Public Comment

District residents and taxpayers wishing to address the School Board may do so at this time. Written items are strongly suggested. Speakers must state their name and address for the record before commenting. Comments are limited to three minutes. The School Board may suspend the public comment period after a reasonable amount of time. Profanity, shouting or personal attacks will not be permitted. Please note that the public comment period is intended to provide an opportunity for citizens to address the Board; however, it is not an opportunity to engage in public debate or question and answer dialogue. Questions or concerns will not be addressed publicly by the Board; therefore, contact information should be provided to the Administration so that the School District can follow-up with citizens' concerns following the meeting.

No members of the public spoke at this time.

2. Communications

Information Item / Discussion Item - Athletic Master Plan: Dave Horn, Architerra, asked if any School Board members had specific comments that they wanted to make as a follow-up to the Athletic Master Plan update that was provided at the January 23 School Board meeting. Mrs. Scott asked if the Steering Committee was making recommendations tonight or if there were still decisions to be made. Mr. Horn said that the Steering Committee stopped short of making specific recommendations to allow for some additional input. Mr. Horn said that the prior presentation concluded that a synthetic turf field would help alleviate the overuse that is occurring on the District's natural grass fields. Mr. Horn said that the Steering Committee focused on two options for a synthetic turf field – at Field 9 or at Fields 3 & 4. Mr. Horn reviewed the recommendations for the Field 9 concept – install synthetic turf for soccer, field hockey, and football play; install field lighting; construct new support buildings; construct spectator seating for

759 people with a press box; and add a new roadway from the Reid Elementary School to a new parking lot where Field 10 is currently located. Mr. Horn said that no discussions have occurred with Lower Swatara Township, but it is believed that they will require additional parking. Mr. Horn said that if one parking space would be required for every four seats, then 190 additional parking spaces would be required. Mr. Horn said that in order to accommodate the parking, Field 10 would need to be converted to a parking area to generate 177 spaces. Mr. Horn said that Field 7 might need to be formalized as a parking area. Mr. Horn said that Field 7 is currently a grass parking area in the District's parking plan. Mr. Horn said that the added parking would necessitate storm water management expansion, which he believed could be accomplished. Mr. Horn said that the Field 9 concept also included the addition of two "D" areas between the track and Field 8 in order to accommodate javelin and discus as the current locations would be impacted by the additional parking. Mrs. Scott asked the coordination required for javelin and discus to be located at Field 8. Mr. Horn said that alternate times would need to be planned for javelin and discus during competition and that the coach would need to manage practice times. Dr. Gomboc-Turyan asked if the Reid parking lot would be altered as well if Field 7 became a formalized parking area. Mr. Horn said that a change has not been proposed to the bus loop for Reid Elementary School at this point. Mr. Horn said that the costs for the Field 9 concept with the parking and the javelin/discus relocation are estimated at \$4,002,035. Mr. Horn said that the Steering Committee also thought that it was important to discuss the advantages/disadvantages of the two synthetic turf locations. Mr. Horn listed as an advantage the central location of Field 9 that would allow for use by multiple school buildings. Mr. Horn said that lighting on Field 9 would be less obtrusive to the neighborhood around the campus. Mr. Horn said that another advantage of Field 9 was the ability to reduce field usage on the remaining fields to 75 events, which would be a more sustainable number. Mr. Horn also said that the field had an ideal solar orientation, which was not a strong advantage as field orientation is more important to football and that isn't likely going to be the primary user of the field. Mr. Horn said that the committee identified several disadvantages of the Field 9 concept, including the traffic flow associated with parking at Field 10, the limitation for any future expansion of Reid Elementary School, the loss of Field 10 to parking, accessibility to Field 9, limited identity for Field 9 as it is removed from main traffic flow on Union Street and Oberlin Road, a potentially more expensive option, and the new concession stand in the area would no longer be needed. Mrs. Scott asked whether Field 10 had to be used for parking and whether there are any requirements as to how close in proximity parking must be located. Mrs. Scott questioned whether the area where Field 14 is located could be used for parking. Mr. Horn said that there are no specific requirements on where parking must be located; however, a municipality could argue that parking needs to be close enough in order to be considered usable. Mr. Corradi expressed concern about the loss of Field 10. Mr. Horn said that this practice field would need to be replaced. Mr. Horn said he would not suggest the use of Fields 3 & 4 for football practice as that would detract from the view of the High School. Mr. Horn said that Fields 8 & 11 could possibly be used for football practice and that some sort of storage building would be added between them. Mr. Lupp expressed concern for the longevity of the track if football players wore cleats across the track in order to get to Field 8 for practice. Mr. Corradi asked where field hockey would play if Field 8 was used for football practice. Mr. Horn said they would play on the turf field, but there might be a need for some coordination as field

hockey would maybe want to use Field 8 for practice as well. Mr. Ponnnett asked why the plan calls for 759 seats. Mr. Horn said that another school district (Hempfield) was interested in hosting PIAA events at a new field that they were constructing and they were advised by PIAA that 750 seats would be needed for that. Mr. Horn noted that Hempfield ended up not putting in that many seats as they could not afford to do so. Mr. Ponnnett asked what the actual required number of seats would be for District use. Mr. Horn said that 250 seats could be sufficient. Mr. Ponnnett asked how lowering the number of seats would impact the concept. Mr. Horn said that fewer seats would lower the cost in two ways – for the actual construction as well as for parking since fewer seats should lower the parking requirement. Mr. Corradi noted that many years ago the District did host some PIAA events. Mr. Corradi asked if there had been any dialogue about hosting any college events as well given the proximity to Penn State University, Elizabethtown College and Messiah College. Mr. Horn said that there had been some conversation about use of a field for outside events as a revenue generator. Mr. Horn said that he did not think that any outside use would require more than the 759 seats specified. Mr. Corradi asked how many seats the Lower Dauphin stadium has. The number of seats was not known at the time. Mr. Horn said that most mini stadiums have seating ranging from 400 – 700 seats. Mr. Horn reviewed the recommendations for the Fields 3 & 4 concept - install synthetic turf for soccer, field hockey, and football play; install field lighting; construct new support buildings; construct spectator seating for 759 people with a press box; and expand the storm water management at the site. Mr. Horn said that the parking requirement for this site would be met with the conversion of Field 5 into a parking area with 109 spaces and formalizing Field 7 from a grass parking area into a paved parking area. Mr. Horn said that gridiron lines would be added to Field 7 to facilitate band practice. Mr. Horn said that the cost for the Fields 3 & 4 concept with the parking is estimated at \$3,796,815. Mr. Horn reviewed the advantages of this concept – adjacent to an existing large parking lot, accessibility and identity are well communicated, and less expensive overall solution. Mr. Horn said that the disadvantages of this concept are two fields are consumed (*author comments that these fields are not currently being used for competitions*), High School view is impacted, amenities would only be used by this one field, and orientation is northeast to southwest. Mr. Horn noted that the orientation should not be considered a strong disadvantage. Mr. Horn suggested that Mr. Franklin review financial considerations and then continue the discussion of the two options and the rest of the enhancements in the Master Plan.

Mr. Franklin noted that the total cost of the enhancements in the Master Plan prior to the consideration of a synthetic turf field was approximately \$3.9 million. Mr. Franklin said that the enhancement did not relieve the overuse that has been identified on some of the fields, which is the reason why a synthetic turf field is being considered. Mr. Franklin noted that a synthetic turf field would not erase the need for all of the enhancements that were originally proposed. Mr. Franklin pointed to the December 2017 Treasurer’s Report to get a starting figure for funds that might be available to address the Master Plan. Mr. Franklin said that the Capital Reserve Fund had a cash and investment balance of approximately \$10.1 million on December 31. Mr. Franklin said that the Treasurer’s Report showed that approximately \$7.3 million was available for other projects because of projects that were already in process and the amount that had been set aside for debt service on the High School. Mr. Franklin said that the amount available for other projects at the end of January 2018 would be listed as approximately \$7 million due to the activity during

the month. However, Mr. Franklin said that there are other projects that had been discussed for which actual commitments had not yet been made by the end of January. Mr. Franklin noted that on February 6, the School Board took action to commit funds for the Basin DA-1B remediation required as part of the corrective action plan filed with Dauphin County Conservation District. Mr. Franklin said that \$129,000 must be set aside for this work. Mr. Franklin said that the School Board also reviewed a list of projects in various District buildings at the December meeting that were queued to obtain more formal quotes/bids. Mr. Franklin said that the working budget for these projects from the feasibility study was approximately \$600,000 and that this should be set aside as well. Finally, Mr. Franklin said that roof recoating or restoration at several District buildings is slated to be needed between 2019 and 2022 at an estimated cost of \$1.9 million and that this amount should also be set aside. Mr. Franklin said that after these adjustments the amount available for other projects drops to approximately \$4.3 million. Mr. Franklin suggested that it would be prudent to not fully deplete that amount as the Capital Reserve Fund should be able to respond to emergency repairs/replacements that could occur. Mr. Franklin said that the District has operated during his time and perhaps before with an unwritten guideline of maintaining \$1 million minimum in the Capital Reserve Fund. Mr. Franklin said that he polled his colleagues in the Capital Area Intermediate Unit regarding balances in their districts' Capital Reserve Funds. Mr. Franklin said that only 12 school districts provided a response and there was a wide range. Mr. Franklin said that one school district had a balance as low as \$1,650 while MASD had over \$11.4 million as of June 30, 2017. Mr. Franklin said that the average balance was \$3.7 million. Mr. Franklin said that as a percentage of the General Fund expenditures for the 2016-2017 school year, the Capital Reserve balance ranged from .01% to 29.91% with an average balance of 9.54%. Mr. Franklin said that for MASD, 9.54% of General Fund expenditures would be approximately \$3.7 million. Mr. Franklin said that he had not asked the other school districts if they had a minimum balance they were keeping in their Capital Reserve Fund and he presumed that the other school districts had plans to use those funds for current projects just like MASD. Mr. Franklin suggested that although \$1 million was the minimum balance requirement being used at MASD in the past that it might be better to set aside \$1.5 million instead. Mr. Franklin pointed out that the \$600,000 estimate for the current projects was from the feasibility study and could be outdated cost estimates. Mr. Franklin said that if this minimum set aside were used, the amount available for other projects would then be approximately \$2.8 million. Mr. Franklin said that there was one adjustment that he believed could be made to increase the amount available for other projects. Mr. Franklin said that there is \$2.6 million in the Capital Reserve Fund that has been earmarked for debt service for the High School. Mr. Franklin said that this was done so that there would be no tax increase for the High School. Mr. Franklin said that of the 22.15 mills, 5.9 mills is for debt service and that has been maintained through the use of the Capital Reserve Fund. Mr. Franklin noted that the District refunded the 2014A issue in December and saved approximately \$2.2 million in debt service over a six-year period. Mr. Franklin said that the General Fund could pay \$1.4 million over a three-year period that was scheduled to be paid from the Capital Reserve Fund and still have no impact on the mills in place for debt service in the General Fund. Mr. Franklin said that if the \$1.4 million were released as a commitment in the Capital Reserve Fund it would restore the amount available for other projects in the Capital Reserve Fund to approximately \$4.2 million. Mr. Franklin said that there was one other project

that had not yet been discussed. Mr. Franklin noted that the District filed a PlanCon Part A for a renovation project at Kunkel Elementary School two years ago before the state issued a moratorium on PlanCon projects. Mr. Franklin said that the Part A has an expiration date and that if a project is not pursued before the expiration then the Part A approval is lost and the District would need to start over. Mr. Franklin said that the District filed the Part A for a renovation project because of the potential need for additional classrooms if the Highspire petition resulted in additional students coming to the District and because there are system upgrades needed in that building. Mr. Franklin said that no further action has occurred on the Part A as the District has been waiting on a decision to be made by PDE regarding the Highspire petition. Mr. Franklin said that the District now finds that even without additional students, space at the elementary level is non-existent and an addition may need to be pursued. Mr. Franklin said that the state's budget adoption for 2017-2018 extended the deadline to pursue a Part A project and that the District now would need to have bids awarded by July 1, 2021. Mr. Franklin said that this would mean that the planning needs to begin no later than April 2020. Mr. Franklin said that there is a slight decline in the debt service needs of the District in 2020-2021 with a larger decline in 2033-2034. Mr. Franklin said that he consulted with Ken Phillips at RBC Capital Markets to see whether the debt service declines would allow for a renovation project that would not impact the number of mills in place. Mr. Franklin said that the estimated cost of a Kunkel renovation project was \$20 million when the Part A was filed two years. Mr. Franklin said that in consultation with Crabtree Rohrbaugh & Associates, the cost estimate would now be \$21 million. Mr. Franklin said that he consulted with Mr. Phillips about a \$30 million project before he had updated numbers from Crabtree Rohrbaugh. Mr. Franklin said that annual debt service for interest only would range from \$840,000 to \$1.2 million for a \$21 million to \$30 million project. Mr. Franklin pointed out that even the amount needed on the low end is greater than what the current mills in place could provide as debt needs start to decline. Mr. Franklin said that the balance available for other projects in the Capital Reserve Fund does not provide sufficient dollars to fill the gap. Mr. Franklin said this shortfall points to the need for additional mills to be devoted to debt service through a tax increase or for the value of the mills to be increased through an increase in the total assessed value in the District or a combination of both. Mr. Franklin said that he discussed an alternate scenario with Mr. Phillips. Mr. Franklin said that if the balance in the Capital Reserve Fund that is available for other projects were set aside toward a Kunkel renovation project then a short-term borrowing for a synthetic turf field could be pursued. Mr. Franklin said that the debt service cost of a \$4 million borrowing over a 10-year period would be \$475,000 annually. Mr. Franklin said that after the next two years, the current mills in place could absorb this borrowing although that would mean those mills would not be available for a Kunkel renovation then. Mr. Franklin said that the amount available in the Capital Reserve Fund and the mills that will be freed up for other debt service can only be used one time. Mr. Franklin said this requires identification of the priorities to be addressed. Mr. Franklin said that if both a Kunkel renovation project and a synthetic turf field are going to be pursued that it might not make sense to have two separate borrowings. Mr. Franklin suggested that the synthetic turf field could be accomplished without a borrowing whereas the Kunkel renovation project could not. Mr. Franklin said that it might also become important to start thinking about the need for additional mills for debt service. Mr. Franklin also said that the budget philosophy that has previously been employed to not use the

General Fund for capital needs should change if the Capital Reserve Fund is left with only a minimum balance. In conclusion, Mr. Franklin suggested that the highest amount that should be used from the Capital Reserve Fund to respond to the Master Plan is \$4.2 million.

Mr. Montgomery asked about the potential increase in assessed value from the UPS facility that was proposed and whether that could help toward the potential Kunkel renovation project. Mrs. Mehaffie said that the UPS facility is on track to be built. Mrs. Mehaffie asked about the use of grant funds for the turf field. Mr. Fager said that the Steering Committee did look into the grant fund that was suggested and noted that it would restrict the use of the field. Mr. Horn said that the field would need to be used for soccer primarily. Mr. Corradi said that he believed that we need to at least pursue grant funding to offset some of the cost. Mr. Montgomery asked whether there is an issue with pursuing grant funding based upon the timing of when the field needs to be available. Mr. Montgomery asked whether we could pursue the grant while still moving forward with the field. Dr. Suski noted that the grant requires specific vendors to be used. Mr. Horn commented that his experience with grant funding is that school districts don't like the restrictions that are imposed and end up not wanting to use grants after they explore them further. Mr. Horn noted that the vendors that must be used by the grant are good vendors. Mr. Horn said that he believes that you will always get better pricing when you bid a project. Dr. Suski said that the grant provides a minimum of 15% of selected project costs. Dr. Suski said that when she reviewed the grant she noted that it is more geared toward community use. Dr. Suski said that the grant could impact the level of control that the District would have over the use of the field. Mrs. Mehaffie said that if the grant could fund 50% of the cost, then \$2 million is a lot of money. Dr. Suski said that the location would need to be approved, but it would be possible to submit a letter of interest for the grant. Mr. Lupp asked about the timeline for a turf project. Mr. Corradi asked whether planning could continue while the letter of interest is submitted. Mr. Horn said that it could. Mr. Montgomery asked whether field use this fall will be an issue again like it was this year. Mr. Horn said that no field would be ready for this fall. Mr. Horn said that if a field is to be usable by August 10 of any given year, bids would need to be awarded by April 1 of that year. However, Mr. Horn noted that the planning and permit approval that would be needed would actually require that work begin February 1 of the year prior. Mr. Horn said that for a field to be opened on August 10, 2019, the District would already be 13 days behind. Dr. Suski said that the letter of interest for the grant needs to be submitted by May 25 and the application would then be due by June 1. Dr. Suski said that the letter of interest requires that quotes be obtained from the corporate partners, so that would need to be done over the next few months. Dr. Suski said that the grant also requires that an entity have 50% of the project funds in hand in order to submit an application. Dr. Suski noted one drawback is that the logo on the field would have to be the U.S. Soccer Foundation logo instead of the District "M". Mr. Ponnnett asked if the grant would avoid a tax increase. Mr. Franklin confirmed that no tax increase is needed for a turf field with or without the grant as long as the amount available for projects in the Capital Reserve Fund is used for the turf field. Mr. Ponnnett said that he believes discussion needs to occur in totality about the various needs of the District and how we meet those needs. Mrs. Scott noted that a field shortage or field overuse exists if nothing in the Master Plan is addressed. Mrs. Mehaffie asked whether the Steering Committee had a recommendation. Dr. Suski said that there is near consensus from the Steering Committee for the Fields 3 & 4 concept. Dr. Suski said that the one concern was that

the turf field would detract from the view of the High School; however, the lower proposed cost for that field location seemed to tip the scales in favor of the Fields 3 & 4 concept. Mrs. Scott asked whether the bleachers and the support buildings could be moved to the other side of the field to have less impact on the sight line. Mr. Franklin said the Steering Committee asked that as well and learned that would increase the costs. Mr. Lupp said he didn't think that the Fields 3 & 4 concept had a negative impact on the view of the High School. Other Board members concurred with Mr. Lupp. Mrs. Mehaffie asked if drainage at that location would be an issue. Mr. Horn said that he knows that the current problems are scheduled to be remedied. Mr. Horn said that the drainage rates that are currently being experienced there are better than what he has to contend with at other clients. Mr. Horn said that he is not worried about the drainage and that the proposed cost includes addressing the drainage. Mr. Montgomery asked Mr. Smith and Mr. Carnes to provide their input. Mr. Smith said that he is part of the Steering Committee and he has had a part in all of those discussions and that he is supportive of the Fields 3 & 4 concept. Mr. Carnes said he had wanted a turf field in front of the High School before the High School was even built. Mr. Ponnnett asked if discussion about the specific line items making up the concepts could be discussed. Mr. Ponnnett asked if it was possible to do some value engineering. Mr. Ponnnett asked about the significant cost for the two support buildings and what they provided. Mr. Horn said that the support buildings provide restroom facilities and locker rooms. Mr. Horn said that he took that concept from another project. Mr. Ponnnett asked about the storm water management cost. Mr. Horn said that this is hopefully a worst case scenario estimate. Mr. Ponnnett asked about the ornamental fence cost of \$30,000. Mr. Horn said that it was included for aesthetics, but that it could be changed. Mr. Montgomery asked whether reducing the number of seats could lower the cost of the project. Mr. Corradi said that a lot of value engineering occurred with the High School project and then there was some regret and items were added back at a higher cost, so we need to be thoughtful in deciding what is needed. Mr. Corradi suggested that it was a good idea to hone in on the needs and the wants as it pertains to the student athletes. There was discussion regarding the seats and the potential to generate revenue by having alternate use of the fields. Mr. Ponnnett asked if that could be assessed so that the revenue to be generated could be compared against the cost. Mr. Horn said that another school district did this type of analysis and required that revenue be generated to fund the turf replacement that would be required. Mr. Franklin pointed out that how much the field is used for District activities will limit the ability to use it for revenue generation.

Mrs. Mehaffie asked the members of the public present if they had any comments after hearing the discussion. Mrs. Hockenberry said that she was more in favor of the Field 9 concept because of the aesthetic impact to the front of the High School. Mrs. Hockenberry asked if buses could be rerouted to alleviate the concerns at Reid Elementary School. Mrs. Hockenberry said that she is glad that the income potential for the field was discussed and she thinks that there is greater income potential at Field 9. Mrs. Zimmerman said she also favors the Field 9 concept because the turf field is available to three school buildings. Mrs. Zimmerman questioned whether the bus drop-off for Reid Elementary School could be changed to the back of the building. Mrs. Hockenberry said that she didn't believe that the additional cost of the Field 9 concept was significant enough to not pursue that plan. Mr. Corradi noted that the Fields 3 & 4 concept allows

for Field 9 to be retained as a natural grass soccer field.

Dr. Suski said that Mr. Horn had one other piece that he was going to discuss, but that perhaps the hour precludes going any further. Mr. Horn said that the Steering Committee took a stab at identifying the priorities and that could be reviewed by everyone on their own. Dr. Suski said that further discussion can occur at the March 6 Agenda Planning meeting. Dr. Suski said that the Administration will look at discussing the revenue projections at that meeting. Dr. Suski said that the Steering Committee would meet again prior to the March 6 meeting with the School Board.

The meeting adjourned at 8:15 p.m.