



## MINUTES OF THE FINANCE COMMITTEE

Wednesday, September 21, 2016

Grimsby-Lincoln Room  
6:00 p.m.

Present:

Trustee Committee Members: Lora Campbell, Jonathan Fast, Kevin Maves (Chair)  
Dale Robinson (for Sue Barnett)

Administration: Warren Hoshizaki, Director of Education  
Stacy Veld, Superintendent of Business Services  
Marian Reimer-Friesen, Superintendent of Education  
Rick Werezak, Chief Financial Officer  
Robert Dunn, Manager of Projects and Maintenance

Recording Secretary: Brenda Buckingham, Business Assistant

### **CALL TO ORDER**

Chair Kevin Maves called the meeting to order at 6:00 p.m. Welcome to Superintendent of Education Marian Reimer-Friesen, the Committee's new academic superintendent representative.

### **APPROVAL OF THE AGENDA**

The agenda was reviewed and it was,

Moved by: Lora Campbell  
Seconded by: Dale Robinson

**"That the agenda be approved as presented."**

CARRIED UNANIMOUSLY

### **APPROVAL OF THE MINUTES OF THE JUNE 15, 2016, MEETING**

The minutes of the June 15, 2016, Finance Committee were reviewed and it was,

Moved by: Jonathan Fast  
Seconded by: Lora Campbell

**"That the minutes of the June 15, 2016, Finance Committee meeting be approved as presented."**

CARRIED UNANIMOUSLY

**REPORT ON PROJECTS APPROVED UNDER THE 2016 DELEGATION OF AUTHORITY**

So that the business of the Board can move forward during the summer months, the Trustees delegated authority to the Director of Education and the Superintendent of Business Services to award contracts during July and August that would otherwise require the approval of the Finance Committee and subsequently the Board of Trustees. Any such awards were to be reported to the Finance Committee in September.

Superintendent of Business Services Stacy Veld explained that one contract was awarded over the summer, under the delegation of authority, pertaining to the addition and renovation project at Wellington Heights Public School, and presented the following report.

**Award of Contract - Wellington Heights Public School Addition and Renovations Project**

In order to accommodate the consolidation of schools, approved in the West Pelham Elementary Accommodation Review, an addition and renovation to the existing building is required. The project includes a 19,000 square foot addition which will contain four classrooms, gym, learning commons, office/administration areas, kindergarten renovations in the existing building, and improvements to the parking area. A total of \$5,050,000 was included in the 2016-17 Multi-Year Capital Plan for this project.

Robert Dunn, Manager of Projects and Maintenance, reviewed the Request for Proposal (RFP) process. A total of four out of ten pre-qualified general contractors responded to the RFP. The tenders were opened publically with bids ranging from a low of \$4,967,000 to a high of \$5,599,000. Board staff and the architect evaluated each tender and all were found to be complete with no errors or omissions. The low bid was submitted by Brouwer Construction, a Niagara-based company that completed both Harriet Tubman and Diamond Trail schools.

With the low bid included, the estimated project cost is \$5,585,087. Superintendent Veld explained that the funding shortfall has been accommodated through additional funding which was requested and approved by the Ministry of Education.

The project commenced work immediately with substantial completion by August 15, 2017, for the school opening on September 5, 2017.

During discussion of this construction project, it was confirmed that the square footage of the existing building is 14,100 square feet. The 19,000 square foot addition will more than double the current floor space of the school.

It was also discussed that, with the influx of Ministry funding directed to the improvement of school buildings, the construction market is being flooded. This is resulting in higher bids being received on tendered projects. Manager Robert Dunn also noted that there is a noticeable shortage of skilled tradesmen, masons in particular. The Committee discussed this shortage and was in agreement that the Board write a letter to the Ministry of Education to note the lack of skilled trades workers and, with the acknowledgement of the Ministry's ongoing support of specialist high skills major curriculum, ask for their continued focus on students to encourage them to pursue a skilled trades curriculum and to continue their post-secondary education in trades apprenticeships. It was then,

Moved by: Dale Robinson  
Seconded by: Lora Campbell

**“That the District School Board of Niagara write a letter to the appropriate Ministry of Education official to request support in providing encouragement to secondary school students to pursue an education in a skilled trade.”**

CARRIED UNANIMOUSLY

It was then,

Moved by: Lora Campbell  
Seconded by: Jonathan Fast

**“That the report on the Award of Contract for the Addition & Renovations Project at Wellington Heights Public School under the 2016 Delegation of Authority be received.”**

CARRIED UNANIMOUSLY

### **MULTI-YEAR CAPITAL PLAN REVISION**

Superintendent Stacy Veld reported that, following the approval of the Multi-Year Capital Plan last May, the Ministry of Education announced additional school renewal funding for school boards for the 2015-16 and 2016-17 school years. The focus of the funding is to keep schools in a state of good repair. The renewal and condition improvement funding allocated to the DSBN is just over \$16 million. These monies will address the backlog of projects that were identified through the Ministry's Condition Assessment Program and the need to conduct regular maintenance and repairs in schools.

The approved Multi-Year Capital Plan for 2016-17 projects totaled \$39 million, of which \$19 million was financed through school renewal and school condition improvement funds. This increase will bring the 2016-17 projected capital expenditures to \$55 million.

Superintendent Veld and Manager of Projects and Maintenance Robert Dunn reviewed the list of proposed additional projects totaling \$16,150,000 and responded to questions from the Committee members. The projects will address TSSA, fire safety and municipal requirements, accessibility upgrades, building improvements, dust collection systems and major building upgrades including mechanical and electrical work.

Following the review of the proposed projects, it was

Moved by: Jonathan Fast  
Seconded by: Lora Campbell

**“That the additional \$16,150,000 school Renewal and School Condition Improvement capital projects, as listed in the Multi-Year Capital Plan Revision Report, be included in the 2016-17 projected expenditures of the Board's Multi-Year Capital Plan.”**

CARRIED UNANIMOUSLY

**REVISION TO DSBN POLICY B-04 INVESTMENT OF BOARD FUNDS**

The last revisions to DSBN Policy B-04 *Investment of Board Funds* were approved by the Trustees in October 2014. The revised policy provided a new investment strategy which has since resulted in increased investment income and improved diversification of investments, while maintaining a comparable level of investment risk.

Chief Financial Officer Rick Werezak explained that the revisions that management is proposing to Policy B-04 are minor in nature. They are based on input from the DSBN's approved investment brokers and the experience from the first purchase of long-term investments, and will provide the opportunity to improve investment returns while maintaining high investment quality, appropriate diversification and low investment risk. The major change allows the individual organization limit for corporate investments to be increased from 20% to 40%, provided the corporate investment is one of the six largest Canadian chartered banks with a minimum investment quality rating of AA or greater. These institutions include the Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada or Toronto Dominion Bank.

Moved by: Lora Campbell  
Seconded by: Jonathan Fast

**“That the revised Policy B-04 *Investment of Board Funds* be approved and adopted.”**

CARRIED UNANIMOUSLY

**NEW BUSINESS****Synthetic Turf Fields and Tracks**

Superintendent of Business Services Stacy Veld reported that \$2.5 million was included in the 2016-17 Multi-Year Capital Plan for the installation of a synthetic turf field and track at A.N. Myer Secondary School and at Sir Winston Churchill Secondary School. As well, it was approved that there would be two additional locations identified for synthetic turf field installation in 2017-18.

However, during recent discussions with the synthetic turf Consultant and staff, it has been determined that it would be in the Board's best interests financially to tender all four school locations at the same time in January, 2017.

Following consultations with School Administrators, Athletic Directors, the synthetic turf field Consultant and facility staff, it is recommended that Welland Centennial and Governor Simcoe be selected as the next two secondary schools to receive synthetic turf fields.

It is planned to have the synthetic turf fields and track installed at A.N. Myer and Sir Winston Churchill for September 1, 2017, and between mid and late September, 2017, for Welland Centennial and Governor Simcoe.

In order to finance the cost of the combined project, it is recommended that the \$2.5 million allocated in the 2017-18 Multi-Year Capital Plan be transferred to the current year's projected expenditures and that staff be directed to proceed to tender for the construction of a synthetic turf field and track at all four secondary schools.

During discussion, it was confirmed that a synthetic turf field and track is currently being installed at the Greater Fort Erie Secondary School. Future sites will be discussed in time, and it was acknowledged that the layout of a school's property may not be suitable to support the field and track.

During discussion on the funding for these projects, Superintendent Veld confirmed that any surplus budgeted funds could be set aside to support either additional fields or ongoing maintenance costs of the fields. The Board of Trustees approved the construction of the synthetic fields based on the inclusion of a capital partnership with the municipality or community organization. Superintendent Wes Hahn is overseeing these partnerships, with the DSBN's Manager of Community Partnerships and Engagement.

Moved by: Jonathan Fast  
Seconded by: Lora Campbell

**“That the \$2,500,000 identified for the 2017-18 installation of two (2) synthetic turf fields and tracks be reallocated to the 2016-17 fiscal year and that staff be authorized to proceed with all four (4) identified synthetic turf field and track projects.”**

CARRIED UNANIMOUSLY

### Air-Conditioning in DSBN Schools

In response to several Trustee inquiries, Committee Chair Kevin Maves requested that information regarding air conditioning in schools be provided to the Finance Committee. Although above normal temperatures have been experienced the week of school opening, Director Warren Hoshizaki noted that there have been few calls received in this regard.

Superintendent Veld noted that air conditioning is not generally required for sustained periods of time during the school year. Retrofitting DSBN schools to include air conditioning would be prohibitively expensive, at an estimated cost of \$461,000,000 or close to a half billion dollars. Directing funds to this project would result in the DSBN's inability to renovate or repair any of its school buildings for the foreseeable future. In addition to installation costs, there would be the ongoing costs of powering the units, at an estimated 25% increase in operational costs or \$1.3 million per year.

The opportunity for incentives for school boards to install solar panels has diminished significantly over the years, i.e. a drop of 60%. The other component is the municipality's ability to accept the additional energy created through the school's solar panels. Ensuring that a school roof is structurally capable of supporting solar must also be taken into consideration. For these reasons, staff do not recommend installing solar panels.

Superintendent of Schools Marian Reimer-Friesen explained that warm days are not a new situation for school staff to deal with. Teachers and caretaking staff employ various methods to help regulate the temperature and keep the students comfortable, e.g. draw curtains to shield the sun, use portable fans, etc. However, should there be a student need for special education purposes, Superintendent Veld ensured that proper air controls would be installed in a specific classroom, i.e. a unit that could be moved with the student.

Robert Dunn explained that new school builds provide improved air handling and higher insulation standards which facilitate more consistent temperatures within the school. School offices and computer labs, as well as many Learning Commons, are air conditioned due to the electronic equipment contained in those rooms. Learning Commons, either new or scheduled for renovation, will have air conditioning installed.

The Committee appreciated the update provided by staff.

**NEXT MEETING**

The next meeting of the Finance Committee is October 19, 2016, at 6:00 p.m.

**ADJOURNMENT**

**The meeting adjourned at 6:50 p.m.**

**Kevin Maves  
Chair**