

CROSBY-IRONTON SCHOOLS
BUILDINGS & GROUNDS COMMITTEE MEETING SUMMARY
January 9, 2025

Item 7.2a

The buildings and grounds committee met in the District Office conference room on January 9, 2025 at 5:00 p.m. with the following present: Laura Lee and Tommy Sablan. Jamie Skjeveland and Bill Tollefson were also present.

Transportation Contract Proposal Review – The committee reviewed the cost changes between the existing contract and the new contract proposal. The committee also reviewed the contract language that would provide flexibility in the event of changes in the structure of the school day, the potential of moving to a 4-day week, reduction in routes, or other modifications that may be made as part of the ongoing budget reduction process. The committee discussed the need for a five-year contract, given the significant capital cost associated with transportation operations and the contractor needing assurance that there was a longer term financial commitment. Following the discussion, the committee recommendation is to approve the five-year contract that was submitted through the Request for Proposal process.

Solar – The committee discussed the highlights of the Cedar Creek Energy presentation at the December 16, 2024 regular School Board meeting, with focus on the financial aspects of the information. The total projected cost is \$2,150,200. With the Solar for Schools Grant estimated at \$500,000 and the potential of federal tax credits under Direct Pay of 30% and estimated at \$645,060; there would still be a need to finance about one half of the project. This could be accomplished using Property Assess Clean Energy (PACE) financing or a long-term lease of 10 to 12 years. If a Low-Income Bonus Pay tax credit of 10% could be obtained, it would reduce the amount needed to be financed by up to \$215,000. The payments to cover the financing would consume most, if not all, of the energy cost savings for the first 10 to 12 years. If the Board is looking for immediate cost savings to assist with the current budget situation, solar will not have an immediate impact. Committee members also expressed concerns about the long-term cost of ownership, including: property insurance, cost of replacement and maintenance, and the cost to cover damage that might be beyond that covered by warranty.

The next cycle of Solar for Schools grant funding through the State of Minnesota starts with an initial application due by February 10, 2025. The committee expressed that they were not interested in moving forward at this time and that there was no rush or need to apply for the current grant cycle. This is, in part, based on other items on the Board's plate, including the current budget reduction process, the Superintendent search, and Phase VI construction over the summer of 2025 that will be the most extensive and complex compared to any previous phase.

The committee did wish to continue to explore options that solar might provide at some point in the future, with exploratory information gathering continuing.

The meeting adjourned at 6:20 p.m.

Respectfully prepared and submitted by William Tollefson