Board of Directors Meeting Minutes

2-16-1981

Board of Directors Meeting Minutes (February 16, 1981)

DMACC

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A special meeting of the Des Moines Area Community College Board of Directors was held at the Ankeny Campus in Building 2, Room 15, on 16 February 1981, for the purpose of considering the proposed budget for FY '82 and for considering Part 11 of Phase III A of the master plan, an energy conservation package. The meeting was called to order by Board President Eldon Leonard at 5:30 p.m.

Members Present:
- Ray Clark
- Theodore Nemmers
- Don Rowen (5:35 p.m.)
- Murray Goodman
- Jasper Risdal
- Walter A. Stover, Jr.
- Eldon Leonard
- Herbert Ritland

Members Absent:
- Georganne Garst

Others Present:
- Paul Lowery, Superintendent
- Various other DMACC staff
- Charles Wright, Board Secretary
- and interested residents

It was moved by R. Clark, seconded by H. Ritland, that the tentative agenda be approved as published.

The motion was passed unanimously.

There were no requests to address the Board.

Vice President of Business Management, Gene Snyders presented the proposed budget for FY '82 and answered questions from Board members.

Director D. Rowen arrived at 5:35 p.m.

It was moved by T. Nemmers, seconded by D. Rowen, that the proposed budget for unemployment compensation be increased by $250,000 to reflect a total of $378,196.

The motion was passed unanimously on a roll call vote.

Director T. Nemmers left the meeting at 6:34 p.m.
It was moved by R. Clark, seconded by D. Rowen, that the Board adopt and approve for filing and publication a proposed budget for FY '82 that includes expenditures as follows:

- General Fund: $18,008,774
- Unemployment Compensation: $378,196
- Tort Liability: $39,772
- Plant Fund: $5,606,866

for a total of all funds of $24,033,608, and that the Secretary of the Board of Directors be directed to file and publish said proposed budget in accordance with the laws of the State of Iowa.

The motion was passed unanimously on a roll call vote.

A copy of the budget documents is attached (Attachment #1) hereto and made a part of these minutes.

A resolution establishing the Budget Hearing for the FY '82 budget was introduced by E. Leonard. The resolutions adoption was moved by M. Goodman, seconded by J. Risdal. The resolution is as follows:

WHEREAS the Board of Directors of Des Moines Area Community College has met and conferred on a proposed budget for FY '82, and adopted same, and

WHEREAS, the laws of the State of Iowa require that the Board of Directors of Des Moines Area Community College provide a hearing at which the public may comment on the proposed budget, then

THEREFORE BE IT RESOLVED that the Board of Directors does establish 9 March 1981, 5:30 p.m., as the date and time of said budget hearing to be conducted before the Board in Building 2, Room 15, of the Ankeny Campus of Des Moines Area Community College.

The resolution was unanimously adopted by the Board on a roll call vote.

Director Rowen left the meeting at the dinner break.

Board President Leonard declared a recess for dinner at 6:40 p.m. The meeting was reconvened at 7:25 p.m.

Bob Flanagan of Environmental Engineers, Inc., and Don Zuck, Dean, Facilities Management, presented information regarding the bids the Board reviewed at their meeting of 9 February 1981 (Attachment #2).
It was moved by R. Clark, seconded by W. Stover, that a contract for the construction of Phase III A, Part II, be awarded to MCC Powers, with a base bid of $822,530, less deductive alternates totaling $125,075 for a net amount of contract, with deductive alternates considered, of $697,455; and that the Board President and Secretary be authorized to sign said contracts.

Deduct alternates are identified as follows:

No. 3: Deduct for omitting the monitoring of cooling tower water PH and TDS $12,980

No. 4: Deduct for omitting the door security system $27,970

No. 5: Deduct for omitting alarming of high level water in sumps $1,540

No. 6: Deduct for omitting second year of warranty and maintenance on all computerized automation work, hardware, temperature regulation, etc. $58,070

No. 7: Deduct for omitting the changes in zoning start/stop and key room sensors for Buildings 14, 15, 16, 17, 18, 19 and 20 $24,515

TOTAL $125,075

And the $187,000 additional cost of the project above the estimated cost of $510,000 will be paid from the increased income in the plant fund derived from an increase in assessed valuation of property in Merged Area XI, during the period of the present plant fund levy.

The motion was passed on a roll call vote with votes recorded as follows:

AYES:
R. Clark   H. Ritland
J. Risdal   W. Stover

NAYS:
E. Leonard

ABSTAIN:
M. Goodman

Board President Leonard declared the motion passed in accordance with Board Policy #246 and Robert's Rules of Order.
ADJOURNMENT

It was moved by W. Stover, seconded by M. Goodman, that the meeting be adjourned.

The motion was passed unanimously and the meeting was adjourned at 8:20 p.m. by Board President Leonard.

ELDON LEONARD, President

CHARLES WRIGHT, Secretary
NOTICE OF PUBLIC HEARING
BUDGET ESTIMATE
Fiscal Year July 1, 1981 - June 30, 1982

MERGED AREA SCHOOL XI (DES MOINES AREA COMMUNITY COLLEGE)

The Board of Directors of Merged Area School # XI in the Counties of

<table>
<thead>
<tr>
<th>County</th>
<th>County</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adair</td>
<td>Clarke</td>
<td>Hamilton</td>
</tr>
<tr>
<td>Audubon</td>
<td>Crawford</td>
<td>Hardin</td>
</tr>
<tr>
<td>Boone</td>
<td>Dallas</td>
<td>Jasper</td>
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<tr>
<td>Carroll</td>
<td>Greene</td>
<td>Lucas</td>
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<tr>
<td>Cass</td>
<td>Guthrie</td>
<td>Madison</td>
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<tr>
<td></td>
<td></td>
<td>Warren</td>
</tr>
</tbody>
</table>

In Iowa will conduct a public hearing on the proposed 1981-82 Budget at
Building #2, Room 15, Ankeny Campus, Des Moines Area Community College, 2006 S. Ankeny Blvd., Ankeny, Iowa, 1981, beginning at 5:30 o'clock p.m. on March 9.

At the public hearing, any resident or taxpayer may present objections to, or arguments in favor of, any part of the proposed budget. This notice represents a summary of the supporting detail of budget receipts and expenditures on file with the Board Secretary. Copies of the Supplemental Detail (Schedule 633-A) will be furnished any taxpayer upon request.

February 16, 1981 /s/ Charles K. Wright, Secretary

BUDGET ESTIMATE SUMMARY

<table>
<thead>
<tr>
<th>Funds (Use Whole Dollars)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL — All Purposes</td>
<td>17,688,073</td>
<td>22,437,627</td>
<td>24,033,608</td>
<td>617,638</td>
<td>19,986,106</td>
<td>4,665,140</td>
</tr>
</tbody>
</table>

TAXATION RATE PER $1,000 VALUATION — $_____

INSTRUCTIONS

Only the notice and budget estimate summary are to be published. Schedule 633-A Supplemental Detail is to be completed before transferring details to Form 633 and to provide copies for any interested taxpayer and for attachment to certified budget copies. File one copy of proof of publication with the control county auditor. Amounts published in column C control expenditures and represent maximum expenditures authorized by law for certification.

ENTRY RECORD OF CONSIDERATION AND FILING OF ESTIMATE

On 16 February 1981, the Board of Directors of Merged Area XI met to consider and approve for filing and publication the proposed budget for the ensuing year. A quorum was present. The Board of Directors fixed the time and place for the public hearing on 9 March 1981 at 5:30 o'clock p.m. at Building 2, Room 15, Ankeny Campus of DMACC, Ankeny in Polk County, Iowa.

The Secretary was directed to publish the required notices and estimate summary as required by law.

/s/ Elton Leonard, President /s/ Charles K. Wright, Secretary
PHASE IIIA, PART 11

COMPUTERIZED BUILDING AUTOMATION SYSTEM

DES MOINES AREA COMMUNITY COLLEGE

SUMMARY ANALYSIS OF PROJECT

A. Changes in Scope vs. Energy Grant Application Scope

Buildings 1, 5, and 13 were not in the original Energy Grant Application scope of work inasmuch that these buildings were not completed in terms of design at the time of the original Energy Study for the Des Moines Area Community College Campus on the feasibility of a computerized automation system.

The Energy Grant Application was upgraded in 1980 to reflect the changes in costs of the original report both for installation costs and labor and energy savings based on the number of buildings to be added to the network in the original energy study. The cost of the number of points for Building 1 to be added to the system is estimated at $25,253. The cost of the number of points to be added in Building 5 is $41,442. The estimated costs of the points to be added for Building 13 is $48,843. The total of these three buildings is $115,548 (See MCC-Powers letter of 2/16/81).

The above points do not include the work under Alternate #4 which was the door security system. Other areas that were not included in the scope of the original study and submittal for the Energy Grant Application but which were deemed desirable by Des Moines Area Community College was the upgrading of the monitoring of points on Chillers #1, #2, and #3 as per the attached schedule which brought these three chillers to the same level of monitoring that Chiller #1 is in Building #3. In addition, a key room humidistat was added to each building having chilled water supplied to the building for air conditioning purposes.

The total of the upgrading of the chiller monitoring controls and the key room humidistat for the individual buildings is estimated at $26,010. The existing static pressure controls on the ceiling exhaust fans in certain of the buildings of the campus have been giving erroneous readings and are not controlling adequately. The upgrading of these static pressure controls was included as a change of scope work, and these are estimated to cost $8,486.
The electrical phase monitors for each of the buildings to detect when electrical circuits are experiencing single phasing and to protect against motor burn-out, electrical phase monitors were added as a change of scope at an estimated cost of $5,500.

The upgrading with a full-service type contract for all of the existing temperature regulation work was included as a change of scope item to become part of the first year service warranty for both the computerized automation system and the temperature regulation. It is estimated that the temperature regulation portion only is a change of scope cost of $20,152. At the time of the preparation of the report it was not determined where the CPU and the peripheral hardware would be located and the mechanical/electrical provisions for the room were not determined at that time nor cost estimated into the scope of work. The change of scope for this item provides for a full fledged computer room heating and cooling unit providing positive control of humidity and temperatures on a year-round basis will cost in the neighborhood of $10,000 to $12,000.

The total of all of these changes of work is estimated to be approximately $72,148.00

B. Future Credits Not Incorporated in Bid Documents

There are certain credits that would accrue to the owner that are not incorporated or shown in the bid documents. The existing contracts for Buildings #1 and #5 currently have incorporated in the temperature regulation seven air conditioning systems having enthalpy control and other attendant switches that would be required if the automation system were not installed and extended to these buildings. If these buildings are put on the network of the new automation system, then a credit could be negotiated with the present contractor for elimination of these seven enthalpy systems. It is estimated that these credits would amount to approximately $2,500.00.

The exercising of not taking Alternate Bid #10 which deals with the zero dollar credit for your existing CPU means that this existing CPU could be put up for sale and sold to outside interests. A value of this item would be based on finding a buyer who is anxious to purchase a system of that size. However, it should amount to several thousands of dollars.

C. Payback Period Analysis

Using the same basis of determining payback periods, return on investment, etc., as was utilized in the Energy Grant Application, four different analyses are presented here for discussion purposes.

1. Base Bid less Alternate Bids #3, #4, #5, #6 and #7 including the design fee and overhead costs of $40,000 for a total investment of
$737,455. Simple payback is 5.0 years. Inflation free ROR is 23.0%. Inflation adjusted ROR is 37.8%.

2. Alternate Bids only #1, #2, #8 and #9 with their prorata share of the design overhead costs for a total investment of $89,090. The simple payback is 2.9 years. Inflation free ROR is 39.6%. Inflation adjusted ROR is 56.3%.

3. Base Bid less Alternates #3, #4, #5, #6, and #7 less Buildings #1, #5 and #13 not completed at this time for an investment of $593,937 with a simple payback of 5.4 years. Inflation free ROR is 21.6%. Inflation adjusted ROR is 36.2%.

4. Base Bid less Alternates #3, #4, #5, #6, and #7 less possible negotiated out items 1, 2, 5, 6, and 7 as per Powers letter dated February 13, 1981, for a total investment of $709,485 with a simple payback of 4.8 years having an inflation free ROR of 23.9% and an inflation adjusted ROR of 38.7%.

Based on example No. 1 above, the attached graph shows the accumulated energy and manpower savings based on a straight line method of non-adjusted for increases in utility rates and manpower rate for energy manpower savings. The graph also shows the estimated savings escalated for increases in utility rates and manpower rates on the same basis as was used in the Energy Grant Application. These two curves have been extrapolated over a ten year period to show the potential savings that would accrue to the owner in energy and manpower.

D. Energy Grant Application Basic Finds and ECM Recommendations

The Energy Grant Application and the original energy study was based on the premise that automatic reset of certain air conditioning systems would be accomplished, that enthalpy control would be provided on certain air handling systems. All air handling units would monitor filters and electric demand limiting would be provided. These of course are in addition to the regular functions of start/stopping of certain systems, automatic switch-over from occupied to unoccupied and quick warm-up cycles being incorporated. Careful consideration should be given to these items before any attempt at negotiating these items downward as it might impact the funding for the project and cause the entire project to be recycled for consideration analyses and grant awarding. Any recycled grant at this point would come in with severe competition with many other facilities making grant applications that might even have shorter payback periods such as those going from relamping of high energy lighting areas, time clocks that have payback periods in two to three years and other grant applications having shorter payback periods.
February 13, 1981

Mr. Robert Flanagan
Environmental Engineers
Suite 300
806 Locust Street
Des Moines, Iowa

Dear Mr. Flanagan:

Pursuant to your conversation of Tuesday, February 10 with Joe Seguin, we are providing the following quotes on the ten (10) items that you requested.

The following quotes are firm and can be used for deducts if desired.

1. All points added on addendum # 2 $26,010
2. Static pressure controls 8,486
3. No filter alarm points 16,705
4. Peak Demand (1 point & software) 2,800
5. Electrical phase monitors 5,500
6. Elimination of first year service contract on existing temperature controls 20,152
7. Elimination of Division 15 and 16 work 18,458

Total Potential Deduct $98,111

We are also providing the "value" of buildings 1, 5 and 13. These numbers represent the costs for each separate building, however some points in these buildings were present under one or more deducts which will probably be accepted. These figures are probably within 3% of the true numbers. Obviously the actual numbers would depend on the combination of deducts accepted.

The values for these buildings are:

1. Building number 1 $25,253
   Building number 1 security 27,970
   (deduct alternate # 4)
   Building # 1 Total $53,223

2. Building number 5 $41,452
3. Building number 13 48,843

Total Of The Buildings With Security $143,518

MCC POWERS A UNIT OF MARK CONTROLS CORPORATION
3400 Harding Rd., Des Moines, IA 50310. (515) 274-4741
We understand the project budget number did not originally include these three (3) buildings and if they were deleted from the $697,455 figure (base bid with deduct alternates three (3) thru seven (7) plus ten (10) accepted) the price would be approximately $581,907.

This represents an increase of approximately 14% in two (2) years, which is roughly one half the rate of inflation.

If you have any questions please call me at 274-4741.

Thank you very much.

Sincerely,

MCC POWERS

Gary M. Johnson
Contract Sales Engineer

GMJ/vpe
primary chilled water temperature and shall override all other primary chilled water controls to reset the primary chilled water supply temperature downward one increment at a time until that humidistat is satisfied. This humidistat shall alarm at the CPU and be printed out as an alarm point.

Under paragraph 43.6, delete Item 10 and Item 12.

4. Refer to Addendum No. 1 to the Specifications, page 11, paragraph 22. Change the model number "SLA770AKF" to "SLA Series."

5. Refer to Specifications Section 1583 CPU Room A/C System, page 1583-2, Article 8, FAN. Change fan capacity to 1,550 CFM. In Article 11, Coils, page 1583-3, change capacity to 1,550 CFM, 40,000 BTU total cooling and 33,000 BTU sensible. Article 25, Electric Humidifiers, page 1583-6, change capacity to 11 pounds per hour.

**DRAWINGS**

1. Sheet No. 6: Under Cooling Towers the PH control point and T.D.S. point should be moved from the Binary Maintenance Column to an analog column as these are specified to be continuous readout points.

2. Sheet No. 15: Refer to Point Schedule, Building No. 11. Under cooling tower the PH control point and T.D.S. point should be moved from the Binary Maintenance Column to an analog column as these are specified to be continuous readout points.

3. Sheet No. 6: Refer to Point Schedule for Building No. 3. Add status point for Chiller #1 as a base bid point X (new point added). Under cooling tower add a new point X under status for tower fan motor(s).

4. Sheet No. 15: Refer to Point Schedule for Building No. 11. Add the following equipment as "new points added" X for this sheet as follows:

<table>
<thead>
<tr>
<th>System</th>
<th>Binary</th>
<th>Analog</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Status</td>
<td>Alarm</td>
</tr>
<tr>
<td>Chillers No. 1, 2, &amp; 3</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>High Cond. Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>Low Refrig. Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>High Motor Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>Low Oil Press.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>CWS Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>DWR Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>PCWS Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
<tr>
<td>PCWR Temp.</td>
<td>(3) X</td>
<td></td>
</tr>
</tbody>
</table>
DMACC Phase IIIA, II
Computerized Building
Automation System

Accumulated Cost Savings
in Energy and Manpower

Savings Escalated
Simple Savings

Break Even Points

$ x 1000
0 1 2 3 4 5 6 7 8 9 10

Years
# OPTIONS

## Phase III A, Part 11

Computerized Building Automation System

<table>
<thead>
<tr>
<th>Options</th>
<th>Payback Period</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Base bid less alternates 3, 4, 5, 6, 7</td>
<td>*5.2 years</td>
<td>$697,455</td>
</tr>
<tr>
<td>A. Advantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Maximum energy savings and payback</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Can proceed immediately—construction period will not exceed grant budget period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Allowed us to reduce '81-'82 General Fund budget by approximately $106,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Disadvantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Exceeds budget of $510,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Base bids less all alternates</td>
<td>5.5</td>
<td>$608,365</td>
</tr>
<tr>
<td>A. Advantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Lowest cost under present bids</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Can proceed immediately</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Disadvantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Reduced energy savings and payback</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Exceeds budget of $510,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Project would have to be resubmitted to DOE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Rebid</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>A. Advantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. May reduce cost down to $510,000 budget</td>
<td></td>
<td></td>
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<tr>
<td>B. Disadvantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Delays construction approximately 3 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. May lose portion, or all, of DOE grant**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Reduced energy savings and payback</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Drop project</td>
<td>none</td>
<td>0</td>
</tr>
<tr>
<td>A. Advantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Save $697,455 in construction costs</td>
<td></td>
<td></td>
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<tr>
<td>B. Disadvantages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. No energy savings (approximately $140,000/yr. will have to be added to the General Fund budget each year)</td>
<td></td>
<td></td>
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<tr>
<td>2. Lose $275,000 DOE grant</td>
<td></td>
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</tbody>
</table>

* Payback period shown includes the $275,000 federal grant. Payback considering only DMACC funds is 3.2 years.

** DOE staff reported that a reduction or revision of the project would cause the entire project to be reviewed and reranked. New calculations would have to be based upon energy rates used in the initial grant.