Buildings and Grounds Committee Meeting

Wednesday, October 28, 2026 7:00 PM
High School Library, 35 Church Hill Road, Kintnersville, PA 18930

1. **COMMITTEE MEMBERS**

2. **MEETING OPENING-7:00 PM**

2.A. Public Access

3. **ACTION TOPICS**

3.A. Palms Auditorium Change Orders **Speaker(s):** KCBA
3.B. Tennis Courts Repairs

3.C. JCI

4. **DISCUSSION**

4.A. 5 Year Capital Projects

4.B. Building Use Rates

5. **INFORMATIONAL**

5.A. Palms Auditorium

5.B. Treatment Plant

5.C. Baseball Backstop PALMS

5.D. Crosswalks PHS Stadium

6. **NEXT SCHEDULED MEETING**

7. **ADJOURNMENT**

8. **MINUTES**

October 2026

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) confirms the interest of **Palisades School District** in developing with **Johnson Controls, Inc.**, **(JCI)** a **Business Case Analysis (BCA)** that projects the financial benefits of a Sustainability & Efficiency infrastructure project.

This Business Case Analysis is a focused investment of time by JCI and Palisades School District to determine potential portfolio-wide facility upgrades, energy conservation measures, operational efficiency improvements, deferred maintenance program optimization, renewable energy applications, and technology investments that will support Palisades.

This MOU will identify the nature of JCI's BCA deliverables as well as the roles and responsibilities of each party in developing this Business Case Analysis.

Johnson Controls will perform this exploratory study at no cost to Palisades.

MOU OBJECTIVES:
The parties will collaborate to evaluate opportunities related to:

- Facility and infrastructure modernization
- Energy, water, and operational efficiency improvements
- Renewable energy, energy storage, and resiliency solutions
- Deferred maintenance and capital improvement needs
- Sustainability and decarbonization initiatives
- Grants, incentives, rebates, and alternative funding opportunities

OBLIGATIONS OF Palisades:
To collaborate with JCI to support development of the final BCA. The District shall provide timely access to information, documentation, and facilities necessary to complete an accurate assessment, including:

- Twenty-four (24) months of historical utility consumption data, utility bills, and applicable tariffs for each facility
- Current operating budgets and planned capital improvements
- Current mechanical equipment list, if available
- Access to available mechanical and electrical engineering drawings
- Physical access to relevant facilities accompanied by knowledgeable personnel as needed

OBLIGATIONS OF JOHNSON CONTROLS:

To collaborate with Palisades School District in a diligent and timely manner and to provide qualified resources necessary to complete the Business Case Analysis (BCA). JCI will conduct a preliminary assessment of District facilities, infrastructure, and operational needs and provide:

- Identification of potential facility, infrastructure, energy, and sustainability improvement opportunities
- Preliminary evaluation of project feasibility, funding sources, grants, incentives, and financing options
- A Business Case Analysis and strategic roadmap for the District's consideration
- Recommendations regarding potential next steps for project development and implementation

Upon completion and acceptance of the Business Case Analysis, the parties may, but are not obligated to, enter into a subsequent Project Development Agreement (PDA) to further evaluate and develop selected opportunities.

EFFECT OF MEMORANDUM OF UNDERSTANDING:

This MOU is not intended to be, nor should it be construed as a legally binding agreement obligating either party to proceed with any project proposed within the BCA. Both JCI and Palisades agree to keep all information exchanged and shared among our organizations confidential, to the extent permitted by applicable laws.

The BCA, is intended to provide a preliminary assessment of potential opportunities and implementation strategies. The BCA is an initial evaluation and is not intended to act as an engineering design document for sizing/purchase/installation of any equipment/technology strategy.

JCI agrees to bear the costs associated with the preparate and presentation of the **Business Case Analysis**, including the financial and technical evaluation, travel expenses of JCI personnel, and resources necessary to complete the assessment.

Both Parties agree with the intent outlined by this Memorandum.

Acceptance: **Palisades School District**	Acceptance: **Johnson Controls, Inc.**
Name	Name
_____	_____
Title	Title
_____	_____
Date	Date
_____	_____

Palisades School District

Financial Solutions for Critical K12 Needs

October 2026



© 2024 Johnson Controls, Inc. This document is intellectual property of Johnson Controls, Inc. and should not be disseminated. Do not copy (physically, electronically, or in any other media) without the express written permission of Johnson Controls, Inc

Partnering Together



Vision

We will awaken passion and purpose for learning...

Understanding Your Goals

Discussing Challenges with Getting them Accomplished

Collaboration for Overcoming these Challenges

Facilities Matter

Positive Impact on Student Learning

Attendance and Engagement

Teacher Retention and Morale

Educational and Community Effects



Investing in school facilities is a critical component of improving educational outcomes.

PALISADES APPROACH

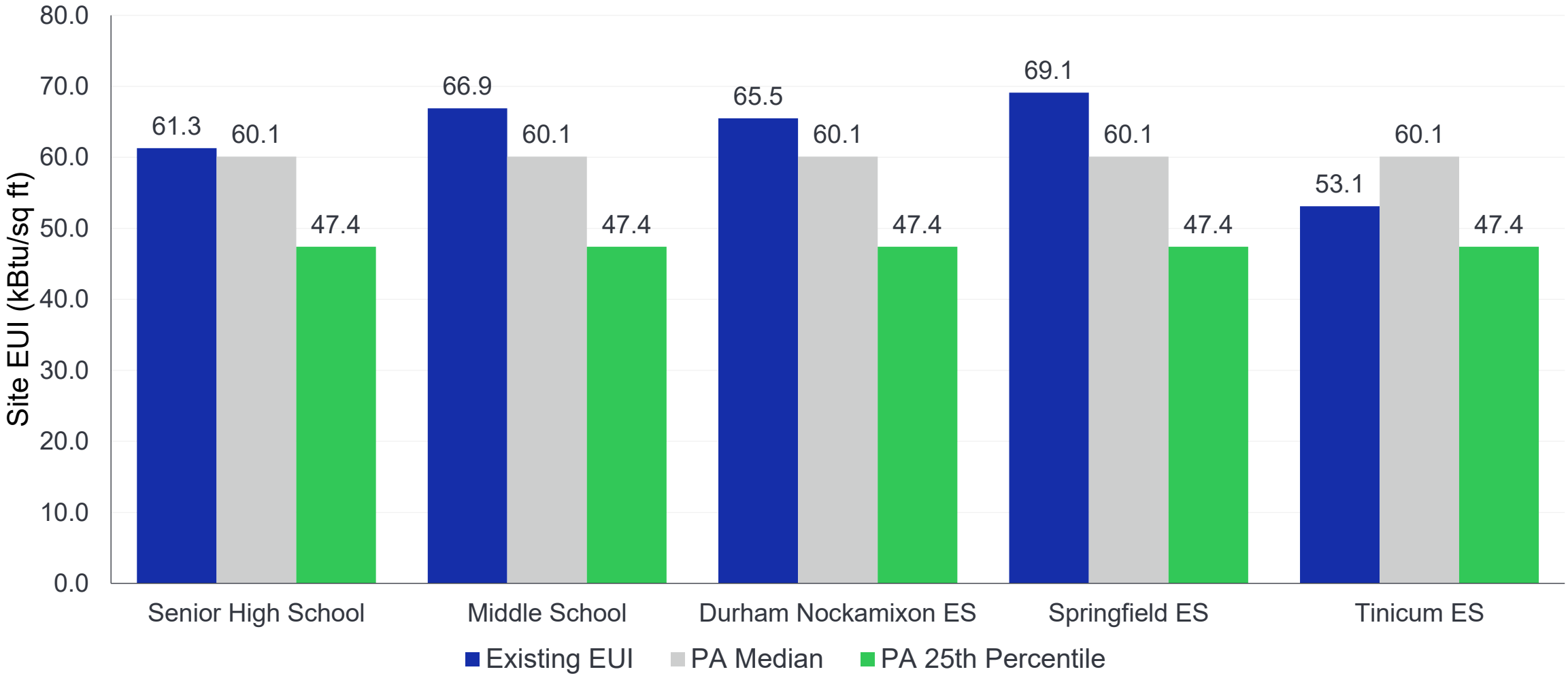
Funded via Savings: Capital improvement and facility upgrade costs are typically paid using the district's fund balance (district savings) rather than adding directly to annual property tax bills.

Recurring Priorities: Recent and ongoing capital project allocations target critical infrastructure, energy efficiency, and safety.

Vision: To awaken passion and purpose for learning, and nurture a perspective that serves others in the pursuit of excellence ensuring all students are prepared for success.

Mission: To inspire passion, shape purpose, and champion potential in every learner.

Palisades Site EUI vs. Pennsylvania Benchmarks



Non-Instructional Spend Analysis

JCI's Analysis provides the following:

- Independent, conservative **assessment of facility condition and risk**
- **Clear translation** of infrastructure needs into financial and capital impacts
- **Objective comparison** of capital funding and performance--based options
- **Predictable planning alternative** to reactive replacements
- **Budget-neutral approach** to implement critical upgrades without upfront capital
- **Defined, low-risk pathway** for next steps

Take Away …

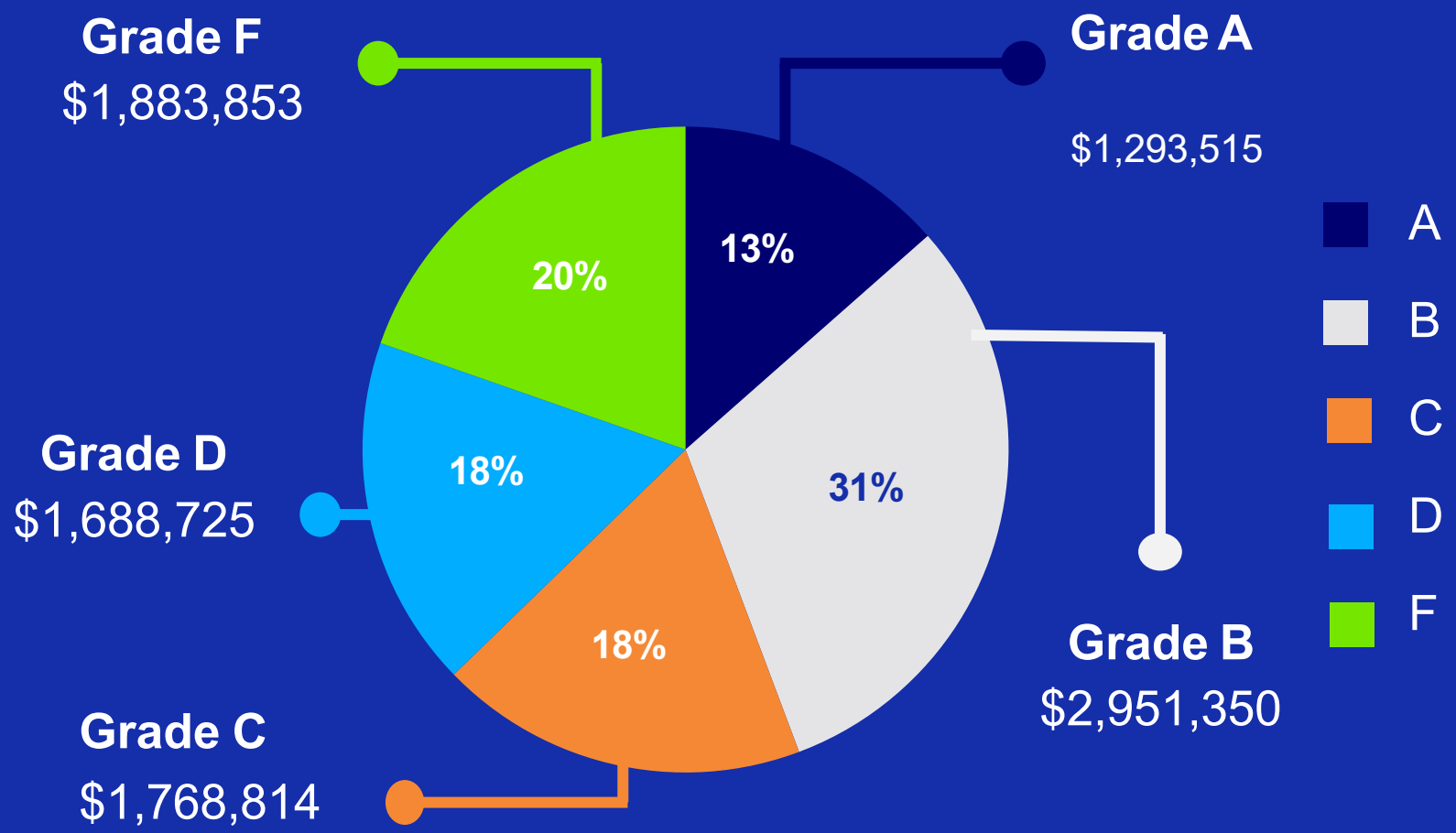
The analysis gives leadership a **fact-based foundation to plan infrastructure investments proactively** – before failures force decisions – while creating budget predictability

Capital Volatility Index – Sample

Budget Stress Test

- Asset Inventory
- Precise Reporting
- Financial Planning
- **Solution Influence**

Present Dollar Value of Graded Mechanical Equipment

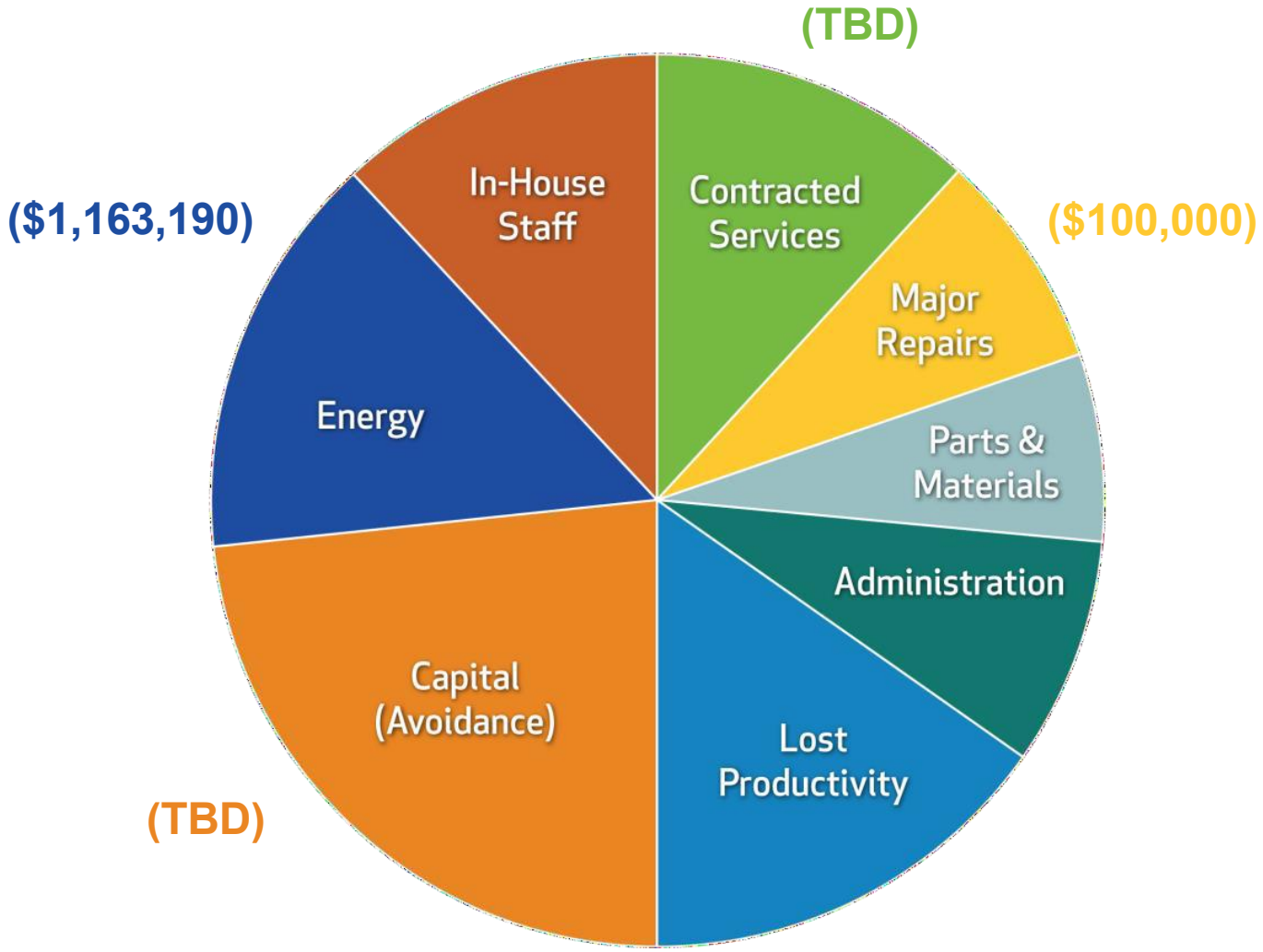


Funding the Solution

Funding

Solutions are funded through the existing operating budget.

$1,263,190 x 15 yr. term = $18,947,850



Indicative District Performance Contract

Based on provided utility information and rules of thumb

PROJECT COST	GUARANTEED SAVINGS	AVERAGE GUARANTEE	Annual Net Cashflow
$1.5M	**$2.7M**	**$90K/yr**	**Positive**
Implemented investment	Over 20 years	Calculated annual average	Required by GESA

Potential Scope

1 Districtwide LED lighting	Full LED lighting and controls retrofit
2 Building Automation Improvements	Building controls improvements and optimizations
3 Building Envelope Improvements	Targeted building envelope improvements and air sealing
4 HVAC Equipment Replacement	Outdated boilers and rooftop units replaced.

Use guaranteed saving to deliver lighting, controls, HVAC, and equipment upgrades as one coordinated program.

JCI Performance Contracting vs. Bid/Spec

Category	Traditional Bid/Spec	JCI – Turnkey Solution
Design	Upfront investment	No upfront investment
Funding Source	School District budget	Utility + Operational savings + Stimulus; Numerous Financing Options
Solution	Piecemeal	Holistic
Award Criteria	Lowest bid	Lifecycle performance; Desired Goals/Outcomes
Project Management	Multiple vendors	One vendor to manage Team, Design, Install
Warranty	Short term	Guaranteed long term
Risk Owner	District	Johnson Controls

WHAT IS GESA?

The GESA Program in Pennsylvania is the *Guaranteed Energy Savings Act 62Pa.C.S.*

This is a statutory framework enacted by legislation that allows public agencies, local government and school districts to fund large-scale energy efficiency and facility modernization upgrades with no upfront capital costs.

How it works?

- Alternative Procurement – to select a qualified Energy Services Company (ESCO)
- Investment Grade Audit – to identify and design Energy Conservation Measures (ECM)
- Budget-Neutral Financing – paid for over time using savings
- Performance Guarantee – that the savings will meet or exceed the financing and project costs

Real savings year after year and performance you can count on

Sources: 62 Pa.C.S. §§ 3751-3758 (Guaranteed Energy Savings Act) as summarized in the JCI outside-in estimation (initial, Sept 2026).

How a Guaranteed Energy Savings Act project works?

62 Pa.C.S. §§ 3751-3758, for Pennsylvania governmental units including school districts

1

Identify Needs

Aging equipment leads to higher costs - time for an upgrade

2

Select ESCO & Detailed Audit

Competitive procurement that analyzes opportunities to find biggest savings

3

Board Approves

Scope and guaranteed savings contract
A smart investment in students

4

Construct & Improve

Work with the school's schedule for minimal disruption and maximum progress

5

Measure Savings & Guarantee Protections

Savings are measured and reported annually; If savings fall short ESCO makes it right

Related improvements

The statute allows related building improvements up to 15% of contract value, which is how envelope or comfort items can ride along.

Why it fits this budget

It does not compete with classroom spending or the capital projects fund, and it can start with the low-capital measures at one School.

Sources: 62 Pa.C.S. §§ 3751-3758 (Guaranteed Energy Savings Act) as summarized in the JCI outside-in estimation (initial, Sept 2026).

Johnson Controls: proprietary and confidential

M&V Guarantee

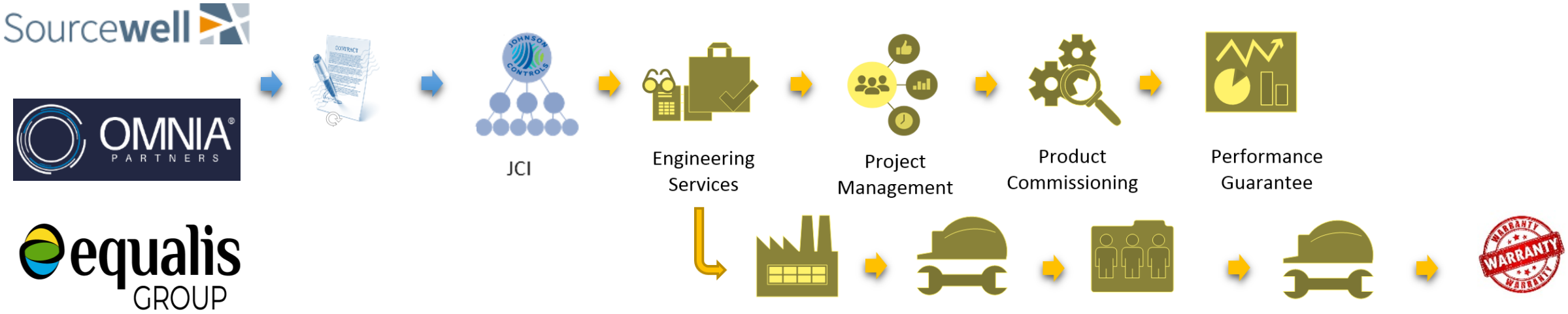
Measurement and Verification process that is concise, measurable, trackable, and verifiable with a proof.

Our M&V options are designed to support your goals. JCI has over $7B under guarantee contracts.

- We use industry standard IPMVP Measurement and verification protocols.
- We honor our guarantee and give you the choice of monetary compensation or additional equipment and services.
- We ensure that guarantee and M&V commitments are structured to align with your timeline.
- We provide reports on a regular basis to document performance and to be sure that performance goals are being accomplished.

Cooperative Procurement = Faster Procurement

Public entities wishing to engage in Cooperative Procurement do not require any extra documentation apart from the Procurement Justification Binder and referencing the Sourcewell, OMNIA Partners or Equalis Group agreement.



Johnson Controls employs a variety of cooperative purchasing agreements across the nation. Sourcewell Contract #071624-JHN and OMNIA Partners Contract #R200402 are two of the four companies and agreements that we use.

Once you select the contract vehicle, Johnson Controls can be upgrading your infrastructure with any of the services and solutions outlined in the scope of work within the selected cooperative agreement.

As a single source of accountability, Johnson Controls acts as your Prime Contractor, assuming full responsibility for Engineering Services, Procurement, Project Management, Subcontractors (including compliance with all Section 3 requirements), Warranty, and Performance Guarantees. These options ensure a streamlined experience with a single point of responsibility.

Sourcewell ESPC Proposal Evaluation

Proposal Evaluation
Energy Savings Performance Contracting with Related Services RFP #071624

	Possible Points	Ameresco, Inc.	Apex Facility Solutions, LLC	Apollo Solutions Group	ATS Automation Inc.	CMTA	DCO Energy, LLC	Ecosave LLC	Energy Systems Group, LLC	ENGIE Services U.S. Inc.	GRP Mechanical Company, Inc.	HI Prevention LLC
Proposer Qualifications	550	513	463	382	386	495	466	476	488	449	471	60
Pricing	200	134	178	133	141	182	156	134	170	148	168	4
Supplemental Factors	250	221	194	144	175	216	195	208	228	220	225	18
Total Points	1,000	868	835	659	702	893	817	818	886	817	864	82
Rank Order		7	11	19	18	3	14.5	13	4	14.5	8	21

	Possible Points	Honeywell International, Inc.	Johnson Controls, Inc.	McClure Company	NOBLE CONSERVATION SOLUTIONS	NORESCO, LLC	Optimum Energy Co, LLC	Siemens Industry, Inc.	SitelogIQ, Inc.	The Brewer Garrett Company	Veregy, LLC
Proposer Qualifications	550	490	519	488	411	453	470	519	439	449	491
Pricing	200	173	188	170	106	160	158	174	148	134	156
Supplemental Factors	250	218	235	221	125	209	211	231	199	181	211
Total Points	1,000	881	942	879	642	822	839	924	786	764	858
Rank Order		5	1	6	20	12	10	2	16	17	9

DocuSigned by:
7BCA93CD6377421...
Brandon Town, NIGP-CPP, CPSM, CPSD
Senior Procurement Analyst

DocuSigned by:
74DB922AE0B4411...
Julie Riebe, Procurement Analyst II

DocuSigned by:
10F9A1507AD74D7...
Ben James, Procurement Analyst II

Signed by:
1C2250CEFAA04AE...
David Gonzalez, MBA, Procurement Analyst I

Johnson Controls — Helping Pennsylvania Since 1887

Energy efficiency and infrastructure projects delivering guaranteed savings, jobs, and emissions reductions across the Commonwealth.

Guaranteed Savings by Client

Client	Savings
Housing Authority of West Chester	$9,177,241.
Lawrence County Government	$4,416,247.
Morrisville Borough	$1,118,631.
PA - Lancaster City HA ESPC	$5,869,804.
PA DOC Laurel Highlands	$68,330,280.
Philadelphia School District GESA Phase 4	$3,617,802.
Philadelphia School District PC2B	$2,533,515.
Philadelphia School District PC2C	$312,916.
Spring-Ford Area School District	$23,494,334.
Total	**$115,924,341.**



300 Pennsylvania School Districts have partnered with Johnson Controls, producing benefits across the state.

WE ARE MAKING AN IMPACT

Putting People to Work

2,486 employees live and work in PA

29 Johnson Controls locations statewide

15 active guaranteed savings contracts

Fueling the Local Economy

1,786 jobs created through PA projects

$322M in increased spending statewide

$11M in diverse-supplier spend (2022)

Producing Sustainability & Resiliency

614,327 MTCO2e reduced — equal to:

664,698 acres of trees offset carbon/yr

128,145 cars removed from the road

Review, Questions

© 2023 Johnson Controls. All rights reserved.

Next Steps

- Sign the MOU
- On-site walk through to qualify needs, then identify funding potential
- Product Development Agreement (PDA)
- Investment Grade Audit and Stakeholder Workshops



Thank you

Suzanne Levine
Johnson Controls
Horsham, PA
Suzanne.Levine@jci.com
610-220-1099

© 2023 Johnson Controls. All rights reserved.