

NEW HAMPTON SCHOOLS
WORK SESSION AND SPECIAL MEETING NOTES
AUGUST 1, 2022

IVa. We will be interviewing our 3 student school board candidates. All three will be in person with one scheduled at 6:30, one at 6:50 and one at 7:10. This is in the work session part so no final decision can be made. That will be made at the regular August board meeting.

IVb. Last month we heard about the bank bids. I put it on the agenda as everyone is expected to be present and you can use this time to discuss the bids and be prepared to make a decision at the regular board meeting in August. I have reattached the bids to the agenda for your review. One note—Bank Iowa has let me know that they will meet the same interest rate and terms that First Citizens has put on their proposal.

IVc. The Local Government Risk Pool for Natural Gas is something we may want to consider. We join the group on a yearly basis, so we can do it this year, but not next year. It basically locks in natural gas price for the year at a set price. It's considered a type of insurance so the one time premium is for Natural Gas for the entire year. It is quoted as the actual cost of the gas plus a 25% Pool charge for administrative and other costs. Several area schools have been participating or are joining this year. It sets a known cost for natural gas so it makes budgeting easier. If we believe Natural Gas is going up during the year, we will save money by doing this. If we believe it's going down or staying the same as it is now—we would lose some money. The ones who have been in it a few years have told me they saved thousands during the last two winters because of the fluctuating natural gas costs. With everything going on in the world today, it seems to me that natural gas costs will be going up when winter hits again. I have attached a presentation and an information sheet for your review. One last note—since it is considered insurance, we could take this out of the Management fund if we wanted to. That would help protect the General Fund—the Management fund has some flexibility with this—but it is all local taxpayer funded through property taxes. With the Chickasaw County wind farm coming online by the end of 2023—it is something we may want to consider as that will dramatically decrease the individual property taxes that are paid in our district.

Va. At this time, I have one personnel item and that's a resignation pending finding a suitable replacement for Jamie Ohrt from her High School Science position. She would like to remain the cross country coach.

Vb. The EPA is currently offering a grant for school buses. I visited with my EPA contact and found the following. If we were a priority school, we would be eligible for much more and likely guaranteed to receive the grant. If we were located in rural Iowa, we would be considered a priority district—my other district is a priority district because it is located in rural Iowa. Anyway, this grant has several options. First, as a non-priority district we could get \$250,000 toward an electric school bus. They cost from \$320,000 to \$330,000 for a new one. That would make our net cost \$70,000 to \$80,000. I've been

told they are working to fund as many electric school buses as possible—so there is a good chance we would get this if we applied. We would also receive up to \$13,000 to install the necessary charging equipment for each bus we receive. We would use Level 2 chargers which take 6 to 8 hours to fully charge the bus. They have total funding of 5 billion dollars for electric and clean energy buses. Originally they had planned on using 500 million for this go round—but it sounds like they are willing to use more if they have more applications for electric buses. As part of this grant, we could also apply for a propane bus grant. Currently they would provide \$20,000 for a non-priority school to purchase a propane bus. That would put our net cost around \$80,000 to \$85,000 for another propane bus. If we apply for a propane bus, we would simply be placed in a lottery style drawing to see if we receive the grant. We have one bus (#7) that fits this criteria and is showing it's age—it's a 2004 model. I wasn't thinking about applying when all non-priority school would be placed in the lottery, but it does sound like there is a better chance if we applied for an electric bus. With the cost of fuel continuing to rise—this could be a way to reduce some fuel and maintenance costs. We would have to keep and use the bus for 5 years and then we could do what we wanted. The batteries come with an 8-year warranty. They will charge to at least 80% capacity through at least year 8. If you wanted to try an electric bus, this would be a way to do it at the same cost as a propane bus. We know there will be more grants down the road, so this would give us a comparison to see how it goes. I wouldn't recommend a propane at this time, because I think the state still has some Volkswagen money and the last time they did a grant they provided \$40,000 per bus. I'm looking for a decision on whether to apply for the grant or not. If we apply and receive it, we could still decide not to accept it. So the risk of applying is pretty low.