



BOARD OF COMMISSIONERS WORK SESSION MINUTES

Tuesday, April 27, 2021, 11:00 A.M.

Virtual – [BlueJeans](#)

I. CALL TO ORDER

The public work session of the Centre County Board of Commissioners was convened at 11:00 AM by Chair of the Board Michael Pipe.

In attendance were Commissioner Michael Pipe, Commissioner Mark Higgins, Commissioner Steven Dershem, Administrator Margaret Gray, Deputy Administrator John Franek Jr., Executive Office Supervisor Natalie Smith and Staff Assistant Jillian Savage.

County personnel present included Lee Sheaffer and Travis Walker.

Guests present included 8143802450.

Representatives from the news media included Marley Parish.

II. PUBLIC COMMENT

There were no comments received from the public.

III. DISCUSSION ITEMS

A. Electric Contract for Centre County

Deputy Administrator John Franek, Jr. stated that for the past three years the majority of Centre County's electric accounts have been enrolled in a consortium through Penn State's Facilities Energy Institute, which secured COSTARS pricing for the County's electric needs. The Energy Institute has reached out to all consortium members to determine who wishes to participate in the next Request for Quotes (RFQ), and if additional accounts or changes are needed for the finalized RFQ.

Currently, through this COSTARS Contract, the County's electricity is provided by Constellation Energy via West Penn Power's infrastructure.

The County recently regained possession of the Centre Crest building, which is in the West Penn Power service area. Centre Care has agreed to transfer the buildings current contract with Direct Energy to their new facility. This allows the County the opportunity to transfer Centre Crest back to the provider of last resort, West Penn Power, meaning the building is eligible to be included in the next procurement event through the RFQ process this June. Centre Crest will be subject to real time pricing during high periods of demand more than 100 kilowatt hours 15 minute. Since the building is unoccupied energy consumption can be monitored over the summer to determine the energy used during these peak periods.

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The Centre County Correctional Facility generates a majority of its own power via the solar array installed in 2019. Constellation Energy provides supplemental power to the Correctional Facility during times that the array does not produce enough. However, there are times when the array produces more energy than the Correctional Facility requires. In these instances, using net metering, the array wants to push the excess energy into the grid to be used elsewhere. Constellation Energy does not allow this to occur since they are a third party provider. Additionally, there is confusion regarding whether or not Constellation Energy is recognizing the excess power.

The three options for the Correctional Facility are as follows:

1. The ideal option is to remain with Constellation Energy if they agree to formally recognize the excess energy and credit the County until the end of the current contract in December. Once the contract with Constellation ends, the facility would be moved to West Penn Power.
2. Remain with Constellation Energy but lose the excess energy production if they do not recognize the excess energy.
3. If Constellation Energy will not recognize the excess energy, terminate the contract with Constellation Energy to move the Correctional Facility back to the provider of last resort, West Penn Power, to be compensated for the excess energy. This is not ideal as early termination would cause the remaining participants within the consortium to be penalized with higher rates for the remainder of the contract.

It is recommended that a majority of the County's electrical accounts be included in the RFQ process in order to take advantage of the lower rates, considering there is no obligation to commit if the rates are higher.

The Board discussed term options within the RFQ process. Commissioner Pipe would prefer a term of one year, if possible, considering the Centre Region is working on a Solar Power Purchase Agreement.

The Board further discussed the original structure of the solar agreement regarding excess energy. West Penn Power would not recognize the excess energy since the County was committed to Constellation, a third-party provider. Virtual Net Metering was suggested, but was not implemented, and would not provide the County with significant savings at this time. John reported that he has been working with Constellation Energy to determine if they will decide to recognize the excess energy. He hopes to have an answer shortly but cannot guarantee this. Commissioner Dershem stated he is not pleased with Constellation Energy and feels they are taking advantage of the County.

Administrator Margaret Gray stated the decision about staying with the consortium to get kilowatt hour projections for 2022 will not include the Correctional Facility and may not include Constellation Energy. The Energy Institute is inquiring if for the RFQ they count in our kilowatt hours for everything, including an estimate for Centre Crest, but excluding the Correctional Facility. This will allow the Energy Institute to determine the best price available to the consortium for kilowatt hours.

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At the Thursday, April 29 Board of Commissioners meeting John will report on changes relative to the term length for the RFQ.

B. Centre Crest Update – Proposal Discussion

John reported that an informal interim plan was designed with four main goals to move forward with the Centre Crest building:

1. Identify the highest and best possible use of the former Centre Crest facility.
2. Address workspace inefficiencies that exist throughout Centre County Government offices.
3. Reduce Centre County Government operating costs through gained efficiencies and reduction of leased office space.
4. Concurrently develop an annual budget that will sustain (maintain) the Centre Crest facility while the adaptive reuse process unfolds.

Multiple architectural firms that specialize in the adaptive reuse of existing structures have been contacted to determine the cost associated with performing an adaptive reuse study of Centre Crest. This study would include assessment of existing mechanical systems and a market analysis performed by a property assessment professional who knows local market conditions. Six of the architectural firms responded, however only five will be reviewed today.

A formal RFQ was not issued. John has researched the County Code and the Department of Community and Economic Development's (DCED) Purchasing Handbook relative to purchasing professional services. The Handbook states that all of the municipal codes exempt professional services from competitive bidding requirements, so professionals need not (and normally cannot) be hired through competitive bidding. These services are exempted from bidding requirements because professional qualifications, capabilities and experience differ.

The Board discussed and compared the received proposals. Commissioner Pipe stated that he prefers the proposal from Muhlenberg Greene Architects considering the company's experience with nursing homes. Commissioner Higgins agrees; however, he also prefers the proposal from Crabtree Rohrbaugh considering the work they did on the State College Area High School. It was the consensus of the Board to reach out to Muhlenberg Greene Architects to include a structural assessment price. A market analysis is not necessary at this time.

Director of Facilities Management Lee Sheaffer asked the Board to consider placing a refurbished PC within Centre Crest for security purposes. The Board agreed that this was appropriate.

Administrator Margaret Gray stated a cost center will need to be created to ensure that all expenses related to Centre Crest are together in the budget. Travis Walker commented that the Controller's Office may already use a cost center for Centre Crest expenses.

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IV. QUESTIONS FROM THE PRESS

V. ADJOURNMENT

On a motion by Commissioner Higgins, seconded by Commissioner Pipe, the Board voted unanimously to adjourn the meeting at 12:15 PM.

ATTEST:

Margaret N. Gray
Administrator