


**LONG HILL TOWNSHIP BOARD OF EDUCATION**

**INTERNAL MEMORANDUM**

**OFFICE OF THE BUSINESS ADMINISTRATOR**

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**TO:** Bruce Meringolo, Negotiations Chairperson  
**CC:** Rene Rovtar  
**FROM:** John Esposito   
**DATE:** March 5, 2009  
**RE:** Response to Teamster Questions

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Following are responses to the questions submitted by the Teamsters related to the Temco bid. I'm also attaching a copy of the questions for your convenience.

1. Maintenance employees were not broken out in the bid documents and are assumed to be included in the custodial employee line. The invitation to bid states clearly that three maintenance staff are required.
2. The grounds person was increased in an addendum to the original specifications from .5 FTE to 1.0 FTE. Bid Form A was not changed to reflect this, so benefits are included in the salary line.
3. Total wages paid by TEMCO in year 1 are the sum of each category.
4. The difference in fringe benefits was calculated by Temco and we don't have the exact breakdown of how they determined these numbers.
5. Payroll taxes are determined as a percentage of salaries. Temco can allocate monies on the bid form as they see fit. The company will be submitting payroll vouchers and records to the district on a regular basis to ensure compliance with all applicable laws. Temco employs more than 10,000 people in total.
6. Bidders were not asked to identify wages in year two of the contract, only an overall increase in their total bid.

7. Temco will be required to provide the communications devices as specified in the invitation to bid.
8. Item #22 of addendum #1 issued January 13, 2009, eliminated footnote 2 from Bid Form C. There are no regular shifts that include Saturday or Sunday. Bidders were required to include 16 Saturdays at two schools in their submissions.
9. Reference checks on Temco have been positive. Business Administrators in districts utilizing the company's services have been contacted.
10. No, as competitively bid contracts can change after the expiration of the contract period. The non-renewals were not based on performance.
11. All district equipment will be maintained either by in-house staff or outside contractors. The district budget for 2009-10 includes funding for building and equipment repairs.
12. The district's insurance broker reviewed the appropriate sections of the invitation to bid and signed off that coverage being sought was adequate for the Board and would protect its interests.
13. The Township has not been contacted on the use of the DPW facility. It is the aim of the district to ensure workers are in the school buildings and not spending time in the DPW office.
14. The Board has budgeted for repair and maintenance of equipment beyond the scope of the contracted maintenance staff. Major repairs will be handled on an as-needed basis with a competitively bid contractor.
15. The district is not familiar with the specifics of Temco's retirement plan. They have yet to be awarded the contract.

#### Other

Temco will be responsible for minor maintenance in each of the school buildings, as is current maintenance staff. Major repairs will be handled on an as-needed basis with a competitively bid contractor. Money has been budgeted for these issues for 2009-10.

February 25, 2009

## Teamsters Local 102/Long Hill Board of Education

### Questions concerning the Temco Bid

1. **Page 6 Bid Form A: Pricing**

There is no mention of Maintenance employees. Bid requires Maintenance employees.

2. **Page 6 Bid Form A: Pricing**

There is no "Charge for Employee Fringe Benefits" for the Grounds Person. Bid requires that this full time (FTE) position receive Fringe Benefits.

3. **Page 6 Bid Form A: Pricing**

What will the wages paid to employees be in year one if bid is awarded to Temco?

4. **Page 6 Bid Form A: Pricing**

Why is there such a difference for "Charge for Employee Fringe Benefits" between the Description groups on a per person basis?

5. **Page 6 Bid Form A: Pricing**

Why is there such a difference for "Charge for Employee Payroll Taxes" between the Description groups on a per person basis?

6. **Page 6 Bid Form A: Pricing**

There is an increase of 2.59% in the bid if Temco is awarded and the bid renewed for a second year. What are the wages charged and paid for in year two?

7. **Page 7 Bid Form B: Equipment Provided by Contractor**

The Board's bid specifications call for 7 Nextel Telephones/Walkie-Talkies with services, including local/long distance and voice mail. This item is missing from the Temco bid.

**8. Page 8 Bid Form C: Proposed Staffing**

Form C does not match up with the 4.4.2 On-site Organizational Chart on page 59 of bid. Form C requires that three (3) FTE be staffed on the Evening shift and that Saturday and Sunday be staffed with a FTE.

**9. Pages 37 through Page 42 3.2.4 References**

What has been the result of the Board checking the references provided in the bid?

**10. Page 51 3.4 Performance Investigation (a) Contracts terminated for default in the last 5-years and (b) Contracts not renewed in the last 5-years**

Has the Board investigated these two points?

**11. Page 60 4.4.4 Snow Removal**

According to the bid specifications, labor for the removal of is the responsibility of the bidder but equipment for removal is the responsibility of the district. Currently the district's equipment used in snow removal is maintained in house by the Board employees, how will this equipment be maintained under a bid?

**12. Board Vehicles and Equipment**

Has the insurance company for the Board approved the operation of Board owned vehicles and equipment by non-employees?

**13. Township DPW Facility**

Has the Township approved the continued use of the DPW facility by the bidder and their non Board employees?

**14. Page 85 SECTION 6: MAINTENANCE PLAN**

According to the bid specifications, Temco would not be responsible for the repairs of the facility or of certain equipment that is currently done in house. See attached Ramapo Indian Hills Regional High School Board of Education meeting minutes for May 21, 2007 for added expenses for services that Temco did not provide.

**15. Auditor's Report follows Page 87 Section 9 EMPLOYEE BENEFIT PLAN: (a) Salary Deferral Plan:**

The first two sentences read "The Company has a Salary Deferral Plan under Section 401(k) of the Internal Revenue Code. Generally

the plan covers employees, other than direct labor, after one year of service who elect to participate.” This statement could give one the idea that Temco does not hold all their employees in the same light? These employees not eligible to participate in the Temco 401(k) could be the people working at the Long Hill Schools.

### **Questions concerning the School Budget**

#### **1. Other Remaining Accounts**

Please explain and would these amounts cover the things that are currently done in house that will be done by Temco?