

Press Release

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Pennsbury School District Awarded PASBO School Operations Impact Award

(Fallsington, PA) – Pennsbury School District has been awarded the 2022 School Operations Impact Award by the Pennsylvania Association of School Business Officials (PASBO).

The award recognizes a PASBO member, school, or group of school employees who have undertaken a project and demonstrated making a significant impact in their school business operations. In addition to this prestigious recognition, the District will receive a \$3,000 scholarship which will be used for professional development for business and operations staff, competition resources for the Pennsbury High School speech and debate students, or a combination of the two.

Chris Berdnik, Pennsbury's Chief Financial Officer, submitted the District's Community Benefits Agreement (CBA) with NorthPoint Development for PASBO's consideration for the School Operations Impact Award. A CBA is a contract signed by a community group(s) and a real estate developer that requires the developer to provide specific amenities and/or mitigations to the local community or neighborhood. In exchange, the community group(s) agrees to publicly support the project, or at least not oppose it. The value of this exclusive CBA to Pennsbury is \$8.7 million dollars.

The Kansas City, Missouri-based NorthPoint Development purchased the site of the former US Steel's Fairless Works in 2020 with proposed plans to create "the largest e-commerce logistics, and multi-modal industrial project on the East Coast." The project, collectively known as the Keystone Trade Center will bring hundreds of construction jobs and thousands of permanent jobs over the next few years. It will also be a vital catalyst for stimulating the local economy during one of the most difficult times in the history of the United States.

Under the CBA, which Berdnik negotiated in 2020 with the help of Pennsbury's solicitor Rudolph Clarke, LLC, NorthPoint agreed to make a voluntary payment to Pennsbury in the amount of \$500,000 per year for 15 years, which closely approximates \$50 per student per year. In exchange, the District agreed to dedicate the proceeds of said payments only to defray expenses relating to debt service payments or capital improvements to District facilities and infrastructure. The original CBA required the developer to provide the District with suitable warehouse space, rent-free, for 15 years. This additional clause would have allowed the District to avoid capital work at its current warehouse and divest itself of the current property.

When no suitable warehouse space was available to the District, Berdnik went back to NorthPoint in November 2021 and negotiated an amendment to the CBA in which they agreed to make a voluntary contribution to the District in an amount not to exceed \$1,200,000.00 to facilitate the repair of the damaged roof at the District's existing warehouse building located at 9 Queen Anne Court in Langhorne. In addition, to the extent such funds are available, additional necessary repairs will be made to the warehouse.

"The restriction of the funds for debt service and capital projects will allow the District to invest in new and innovative spaces within its buildings as part of its 20-year capital plan with a reduced millage impact on community stakeholders. Remodeled learning spaces will provide greater student engagement, as well as increased enthusiasm for learning, which undoubtedly translates into higher academic achievement," Berdnik wrote in the award application.

"In addition to improving learning spaces within the District's school buildings, a phased-in renovation of the high school's outdoor sports stadium is also included in the 20-year capital plan. These long-anticipated upgrades will improve the soundness of the structure and lengthen its lifespan and fulfill the wishes of the student-athletes, loyal alumni, and community members who take great pride in the District's long history of high-profile, championship athletics. The stadium is used not only for multi-sport games and practices but also for special events and the annual high school commencement ceremony."

According to Berdnik, only a handful of very large school districts have been a part of a CBA, and never once has a school district been the exclusive recipient. Pennsbury's CBA is not only a first for Pennsylvania, it is the first in the nation.

Pennsbury will receive the award and scholarship at PASBO 67th Annual Conference on March 11 in Hershey, Pennsylvania.

The Pennsylvania Association of School Business Officials is a statewide association with 3,500 members. The association is devoted to providing members with education, training, professional development, and timely access to legislative and policy news.

Read the complete Pennsbury's PASBO School Operation Impact Award Summary.