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MINUTES  
BOARD OF EDUCATION  
Worksession – October 14, 2008  
High School Auditorium

PRESENT: President, Mrs. Kathleen V. Berezny; Vice President, Mrs. Christine Prete; Mrs. Ann Cotten-DeGrasse; Ms. Angela DeVito; and, Mr. Gregory Meyer.

LATE: Mr. Timothy Griffing and Mrs. Mary Ellen Harkin.

ALSO PRESENT: Dr. Diane B. Scricca.

Board President, Mrs. Berezny, opened the meeting at 5:30 p.m. with the pledge of allegiance to the flag.

Pledge of Allegiance

A motion was made by Ms. DeVito, seconded by Mr. Meyer, to recess to executive session to discuss personnel and negotiations.

Recess to  
Executive Session

Yes 5 No 0  
Motion Carried.

The Board of Education recessed to executive session at 5:31 p.m.

Mrs. Harkin arrived at 5:45 p.m.

Mr. Griffing arrived at 6:20 p.m.

The following people entered the meeting at 6:50 p.m.: Ms. Nancy Carney, Mr. Joseph Ogeka, Jr., Mr. Michael Ivanoff; and, attorneys, Christopher Venator and Mary Ann Sadowski.

A motion was made by Ms. DeVito, seconded by Mr. Griffing, to return to open session.

Return to  
Open Session

Yes 7 No 0  
Motion Carried.

The Board of Education returned to open session at 7:40 p.m.

A brief recess followed.

The public worksession of the Board of Education commenced at 7:51 p.m.

ALSO PRESENT: Mrs. Barbara O’Kula.

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There were about ten other people in attendance.

Mrs. Berezny preceded the worksession by making special mention of the prestigious award recently presented to community member, Mrs. Laurie Downs, by the Suffolk Chapter Daughters of the American Revolution. The Chapter recognizes that volunteerism is one of the greatest gifts a person can give to their community and chose Mrs. Downs as the recipient of this award for her demonstration of dedication and tenacity with regard to her community work. The Board of Education also acknowledges her continued volunteerism over the years to videotape the Board meetings for airing on Cable Channel 22 for the benefit of the school and community.

Mr. Michael Famiglietti, President of the YMCA's of Long Island, was present to partake in continued discussions regarding the lease/sale of 8-10 acres of property located at Tuthills Lane in Aquebogue and provide free services in-kind to the students of the Riverhead Central School District. The YMCA proposed to implement the state sponsored Universal Pre-K program at the facility and provide free services to the school district including but not limited to:

YMCA Discussion

- swim team pool time
- use of the facility for physical education classes
- use of the facility for athletic training
- Pre-Teen and Teen Centers on Friday and Saturday evenings
- swim lessons for all third grade students during physical education classes

The proposed facility will be constructed in three phases:

Phase 1

- six classrooms
- Olympic size indoor pool
- strength training center
- locker rooms
- two multi-purpose rooms

Phase 2

- six additional classrooms
- gymnasium

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### Phase 3

– outdoor camp complex including an outdoor pool

Attorneys, Chris Venator and Mary Ann Sadowski expressed opinion of counsel that the Board consider a methodology under legal restrictions when options are considered. It is the recommendation of counsel to focus on the lease of the portion of property as a sale would be more problematic. Further, a number of agencies would be impacted, namely, the State Education Department. The Board must be careful in terms of the YMCA's ability to deliver the project...a school district cannot provide the YMCA with either direct or indirect consideration and must obtain a fair market rental value (which will require an appraisal). The State Comptroller has opined that the cost of construction of the facility may not be considered in determining fair market rental value.

According to Ms. Sadowski, if the school district provides any benefit – indirect or direct – it will be considered a public works project and, therefore, subject to competitive bidding.

Section 403-a(5) of Education Law, permits a Board of Education to enter into a lease which is in excess of ten years with the approval of the voters of the School District. According to the Attorney General, a municipality may not convey real property owned by it to a not-for-profit corporation for less than adequate considerations.

Some thoughts expressed by Board members included:

- to lease "as is" or as an improved parcel
- whether a shared service is considered a public private partnership
- to lease would entail that the property remains part of the school district
- look to a long term lease and go to referendum
- concern on "tanked" economy and decline in the stock market as well as reassurance that pledged monies would remain available (a lease arrangement would be contingent on the ability to raise monies needed in addition to the pledges totaling \$4 million). According to Mr. Famiglietti, \$4 million is solid, but double that amount is needed.

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It is the Board's understanding that at the conclusion of a long term lease, the Board would go back to the voters and request renewal of the lease. To meet obligations, Mr. Venator stated that a long term lease would require that the process be followed in an orderly fashion, such as:

- applicable authority of the local agencies over project
- YMCA would not be leasing the entire parcel
- requirement to go to the Town of Riverhead for subdivision and intermingle w/Board response to conduct SEQRA

Mrs. Prete stated that the property is also being considered for development of a bus maintenance facility and inquired if both could be considered under one umbrella of SEQRA (which includes a traffic impact study) and mitigate the need to subdivide the property.

Since the Board of Education is the lead agency, next steps are:

- determine the length of the lease (25-30 years)
- develop a carefully crafted agreement w/YMCA
- coordinate with SEQRA to develop a timeline...parallel to that, put together a proposal to lease subject to referendum

The Board of Education was in full agreement to move forward with the project. Dr. Scricca thanked everyone for being so supportive on behalf of the children. The school district looks forward to a long working relationship to see the project to fruition.

Mr. Mark Finnerty, Plant Facilities Administrator, gave a Power Point presentation which addressed deferred maintenance projects of the district. The presentation highlighted a proposal to enter into an Energy Performance Contract which is an agreement between an Energy Services Company (ESCO) and the district that would allow the owner to finance an energy conservation project (over 18 years), then reimburse the ESCO and pay off the loan with realized energy cost savings (funds from 30% of savings realized would pay off the loan). Specific projects that require immediate attention include lighting upgrades and controls, boiler//burner replacement, boiler controls, energy management, rooftop air handler replacement, water heater replacement, and weatherization improvements. An Energy Performance Contract would provide a facility energy audit, identification of cost-effective projects/project

Energy Performance  
Contract Presentation

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design, and management of the installation of the project that would provide corrective actions to specific projects requiring immediate attention. Energy costs have risen 900% in the last ten years and entering into an EPC becomes cost neutral and cost conservative...the cost is nothing and the cost to taxpayers is nothing...it is a win-win agreement.

The following is a cost analysis:

- the annual cost of a \$7.5 million EPC is estimated at \$600,000
- annual energy savings realized is estimated to be \$450,000
- utility incentives are anticipated to be \$150,000 for this size EPC
- State aid is estimated to be \$175,000 per year

In summary, energy savings are guaranteed by the ESCO, and, if the energy savings are less than the guaranteed savings, the ESCO pays the difference. It was suggested by Mrs. Prete that the district also explore available grants for "green" projects and other incentives (*i.e.*, LIPA incentives for solar, etc.).

The Power Point presentation is made part of the Supplemental File of the Minutes.

RFP's were issued on July 23, 2008 and those received are now being reviewed by the district and BBS Architects. A recommendation is slated for the November 18<sup>th</sup> Board of Education meeting.

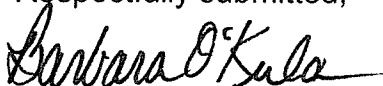
A motion was made by Ms. DeVito, seconded by Mr. Griffing, to adjourn the meeting.

Adjournment

Yes 7 No 0  
Motion Carried.

The meeting adjourned at 9:57 p.m.

Respectfully submitted,

  
Barbara O'Kula  
District Clerk