

BFCCPS Combined Meeting
Board of Trustees, Facilities Committee, BFEF Foundation
APPROVED Minutes
September 5, 2006

Attendees:

Trustees - Lori Clements, Anna dos Santos, Chuck Mayo, John Neas (also Facilities Committee Chairman), Joe Perna, Laureen Pfizenmaier, Scott Stavely, Cathy Tomaso

Facilities Committee – Ben Benjamin, Kevin Dolan, Matthew Naimie

Foundation: Matt Ginnetty (also Facilities Committee member), Michael Lockhart

Others: Sue Flaherty, Katherine Ginnetty, Tammy Herlitz, Trish Miller, Lou Moccia, Kevin O'Malley (interim HOS), Michael Pradko, Doris Reynolds

The meeting opened at 7:35 p.m. in the BFCCPS library.

John Neas presented the current lease situation with a brief history of how it evolved. About 6 years ago, our rent was \$140,000/yr. Over time, this increased to \$170,000/yr. Last year's lease negotiations resulted in an annual rent of \$240,000/yr for 3 years, with 2 one-year options at those same terms. Additionally, the modulares were sold to the church for \$225,000, payable in five \$45,000 credits against the annual rent. As a result, the annual cash payment for rent is currently \$195,000/year, with the church receiving a 1/5 interest in the modulares each year. Once the terms of this lease expire (June 30, 2008, or June 30, 2010 if we exercise both of the 2 one-year options), the church will own the modulares and we will also have to pay rent on them if we still occupy this building under a lease arrangement.

John Neas then presented the current status of the Washington Street land. There is a strip of land running through approximately the middle of the property that we need to obtain title to. This land is owned by CALPERS (California Public Employees Retirement System). Matt Ginnetty and Michael Lockhart were acknowledged for their attempts over the past few years to acquire ownership to this strip of land. John Neas will contact the appropriate individuals in an attempt to move this issue forward quickly. Various strategies were discussed to facilitate the process, such as offering to pay to have the paperwork prepared or trading an equal amount of land out of our parcel.

Different types of building construction were then discussed, along with the respective prices. A brand new bricks and mortar structure would cost approximately \$15M. A modular type building, prefabricated in a factory and then completely assembled on-site, would cost approximately \$6.2M. A pre-engineered building, which has a pre-fabricated component combined with on-site structural preparation (i.e., steel beams) would cost

about \$9M. The Facilities Committee will further investigate the second two options to more accurately identify costs.

Both John Neas and Kara Geraci have attended a seminar regarding the legal requirements and procedures the school will have to follow to build a new structure (i.e., public bid openings). There was also a short discussion concerning a restaurant having a liquor license located in close proximity to the land.

Matt Ginnetty spoke for the Foundation on various financial scenarios involving the school's ability to pay rent, carry debt service, run a successful capital campaign to support each of the various options, etc. The Foundation currently has approximately \$325K cash on hand, a note due of approximately \$250K, and an asset (the Washington Street land) valued at approximately \$400K. The land is zoned as commercial, and could be sold as buildable lots to finance renovations to our current building if we purchased it. A brief discussion of current fundraising practices and how they might impact a capital campaign at the school took place. Matt Ginnetty distributed a time-line based on the bricks and mortar building design commissioned by the school several years ago.

The option of purchasing the building we currently occupy was discussed. John Neas would like to approach the church with a written offer to purchase that does not obligate us in any way. This would hopefully start a discussion to determine if they will actually sell us the property and identify the contingencies that would have to be met.

The consensus of the group was that we need to move forward with making a future facilities decision. Action items were identified as follows:

- John Neas will contact the appropriate individuals about how to move forward with purchasing the strip of land running through the Washington Street property
- John Neas will work with Matt Ginnetty and Alan Almeida about presenting the church with a non-binding offer to buy the building we currently occupy
- Matt Ginnetty to arrange for soil samples done on the Washington Street property
- Facilities Committee to further research pre-fabricated and pre-engineered building options to identify costs

The meeting adjourned at 9:45 p.m.