

Regular Meeting

A Meeting of the Board of Education of the Northport-East Northport Union Free School District was held on Monday evening, September 9, 2013, beginning at 6:08 p.m., in the Board Conference Room at the William J. Brosnan School, 158 Laurel Avenue, Northport, New York, with Mr. Stephen V. Waldenburg, Jr., Chairperson, opening the meeting and presiding.

Members present: Mr. David Badanes, Ms. Julia Binger, Mr. James Maloney, Mrs. Lori McCue, Mr. Andrew Rapiejko, Mr. Joseph Sabia, Mrs. Jennifer Thompson, Mrs. Tammie Topel, Mr. Stephen V. Waldenburg, Jr.

Members absent: None

Also present: Dr. Marylou McDermott, Superintendent of Schools
Ms. Kathleen Molander, Assistant Superintendent for Business
Mr. Matthew Nelson, Assistant Superintendent for Instruction and Administration
Ms. Rosemarie Coletti, Assistant Superintendent for Human Resources
Mr. John Gross, Esq., Ingerman Smith, LLP, District Counsel
Ms. Carrie-Anne Tondo, Esq., Ingerman Smith, LLP, District Counsel

1. President Waldenburg called the meeting to order.

Motion was made by Trustee McCue, seconded by Trustee Thompson, to convene into Executive Session to discuss matters pertaining to current LIPA litigation.

Unanimously carried.

At 7:07 p.m. the Board reconvened in public session in the Cafeteria at the William J. Brosnan School.

Public attendance: There were approximately 150 persons present.

2. Mr. Waldenburg led those present in the Pledge of Allegiance; and
3. Pointed out the emergency exits.

Motion was made by Trustee Sabia, seconded by Trustee Maloney, to approve all items under 4.

4. APPROVAL OF MINUTES

- 4.01 Minutes

- 4.01.1 Regular Meeting, August 26, 2013

Unanimously carried.

5. SPECIAL REPORTS/ANNOUNCEMENTS FROM THE SUPERINTENDENT

- 5.01 LIPA Update – Board Counsel John Gross and Carrie-Anne Tondo

Mr. Gross reviewed the LIPA Restructuring Legislation which was signed into law by Governor Cuomo on July 29, 2013 noting that the law includes provisions for additional oversight of LIPA, control of operations by New Jersey based PSEG and refinancing LIPA's debt but does not address the real property tax challenges brought by LIPA and National Grid. A letter from the Governor's office, dated June 21,

2013, to the Town of Huntington and Affected Taxing Jurisdictions stated that LIPA submitted a Letter Offer to the taxing jurisdiction on June 20, 2013 to settle the tax certiorari challenges brought by LIPA/National Grid and the Governor's office reviewed the offer and found that it was a fair and reasonable approach to settling longstanding issues related to tax challenges. Mr. Gross stated that the letter outlined the framework of the offer as a phase down on the tax payments due to the taxing jurisdiction over a ten year period in exchange for the discontinuance of pending tax certiorari claims. The letter further stated that "fair and reasonable measures should be taken to encourage LIPA and the taxing jurisdictions to settle the outstanding tax certiorari proceedings."

The LIPA Letter Offer was sent to the Town of Huntington and other taxing jurisdictions and copied to the School District. Mr. Gross noted that the District received a copy of the letter offer from the Town of Huntington but never received a copy from LIPA. The letter claims that the "Legacy LILCO generation facilities" are over assessed by up to 90% of their actual value and that the assessments are disproportionate to other real assessments levied by the Taxing Jurisdictions. The letter also stated that LIPA is willing to discontinue the pending litigations and avoid future litigation by establishing certain material terms and conditions related to tax payments that would be memorialized in a binding agreement.

Mr. Gross reviewed the LIPA proposal: 1. The Taxing Jurisdictions must agree to a ten year, 10% per year, reduction of the currently "over-assessed" generating facilities to reduce the total taxes paid by LIPA ratepayers starting in the 2015/2016 tax year, pursuant to the framework established in the Chart annexed to the letter. 2. The Taxing Jurisdictions must agree not to increase the taxes on the facilities between now and the implementation of the Settlement. 3. With respect to the Town of Huntington and the Northport-East Northport School District, each jurisdiction must withdraw its respective lawsuit currently pending in Supreme Court, Suffolk County, against LIPA and National Grid, et al. 4. Should the Taxing Jurisdictions cause LIPA to pay taxes in a higher amount than expressed in No. 1 & 2 above, then LIPA retains its right to commence tax certiorari proceedings challenging such taxes and assessments and expressly reserves its right to seek to reduce such assessments and taxes to any such amount justified by the evidence and shall not be limited by the amounts set forth in paragraph 1 or 2 above. 5. The Taxing Jurisdictions must enter into a binding agreement to effectuate the parties' intentions within four (4) months of the date of this letter, or any extension mutually agreed to by LIPA and the Taxing Jurisdictions. 6. Any such binding agreement must allow for renegotiation in the event of a ramp down or repowering of generating facility exercised by LIPA in accordance with the terms of the Amended and Restated Power Supply Agreement between LIPA and National Grid, or its successor.

In regards to the pending litigation, Mr. Gross stated that the School District does not generally have standing to intervene in tax certiorari proceedings. The School District commenced an action against LIPA and National Grid asserting that the School District is an intended third party beneficiary of the power supply agreement ("PSA"), LIPA/National Grid breached the PSA when they commenced tax certiorari proceedings, and similar action was filed by the Town of Huntington. LIPA and National Grid sought dismissal of the School District's action. The court denied their motions to dismiss and found that "the School District produced evidence to support its contention that Article 21.16 (the contractual provision) was included in the PSA to benefit the School District."

Mr. Gross stated that if the Offer is accepted "as-is" there would be significant reduction to the School District's annual tax base – approximately \$2.9 million (approximately 66.5% of \$4,361,853) commencing in 2015-2016, the immediate impact to the School District's 2013-2014 and 2014-2015 budgets is unknown and the School District would be required to withdraw the pending litigation against LIPA and National Grid. The consequences of not proceeding with the offer could be potential for "shock" to system and resulting increases if LIPA is successful in its tax challenge against the Town of Huntington, loss of guaranteed retroactive refunds for the Town of Huntington, additional litigation and inability to plan.

Counsel Gross stated that the LIPA Letter Offer requires a thorough analysis of the offer and its resulting impact. The analysis includes the fiscal impact to the School District, community impact, political

implications, and analysis of Real Property Tax Law §1803 (base proportion statute for Nassau County and New York City). The Board is proceeding with “due diligence” in its review of the Letter Offer from LIPA. Mr. Gross stated that the Board of Education will make a decision with respect to the LIPA letter Offer when appropriate and after it is satisfied that it has thoroughly exercised due diligence necessary to make an informed and educated decision. The Board of Education’s Exercise of Due Diligence includes ongoing communications and meeting with Town of Huntington representatives, LIPA representatives, Elected Officials and the County of Nassau; reviewing applicable laws and statues across Taxing Jurisdictions; and undertaking impact analyses.

Counsel Gross opened the floor up to questions from the public.

Mr. Richard Anastasio, resident, asked why LIPA is using the Caithness plant as a cost comparison with the Northport Power Plan when the plants and capacities are not compatible.

Mr. Leo Montagna, resident, asked when the last time the Lilco property was assessed and why it was not updated.

Ms. Helena Duszkevicz, resident, asked what the impact of the LIPA tax decrease will translate to in terms of dollars, i.e., tax increase per year and cuts to the schools.

Mr. Noah Levenstein, resident, stated that the LIPA deal is rubbish and that the District could do better in court.

At 9:00 p.m., President Waldenburg called for a short recess.

The Board reconvened at 9:10 p.m.

5.02 For Information: Upcoming Meetings

President Waldenburg reviewed the upcoming Board meetings of September 23rd, October 7th and October 21st.

6. COMMUNICATIONS

6.01 There were no communications to the Board.

7. PUBLIC PARTICIPATION

Dr. Marylou McDermott, Superintendent of Schools, stated that the District has formed a Transportation Committee in response to the communications received regarding bus stops. The committee will meet on Wednesday and being to address the appeals in the order in which they were received. Dr. McDermott stated that any concerns regarding transportation will be addressed by the appeals committee.

<u>Name</u>	<u>Comment</u>
Michelle DeChiaro Parent	Stated that she is concerned about the safety of her children as a result of the District’s decision to eliminate house stops and that the new stop is in a dangerous spot.
Lisa Conway Parent	Stated that she has safety issues surrounding the District’s change in policy regarding bus stops at homes of children in areas previously deemed unsafe for group stops.

Priscilla Kennedy
Parent Stated that there are safety issues regarding the Board banning driveway stops due to budget cuts. Ms. Kennedy stated that her stop was deemed unsafe twice in the past but due to budget cut backs it is now deemed safe.

Dr. McDermott stated that the bus stop concerns will be addressed by the Transportation Committee.

Coral & Craig Freas
Parent Thanked the Superintendent, Board and Transportation Supervisor for listening to the issue regarding the change to their bus stop and quickly resolving it.

Dr. Diane Keller
Parent Asked when the State Test scores will be released to parents.

Mr. Matt Nelson, Assistant Superintendent for Instruction and Administration, stated that parents can obtain the scores from the principals.

Craig Mooers
Parent Asked why the schools are being closed by 4:00 p.m.

Dr. McDermott stated that it was a decision made with the elementary principals and security to limit access to the public from 4:00 to 7:00 p.m.

Kelly Clark
Parent Asked when the opening day class sizes will be provided to the public on the District's website.

Dr. McDermott stated that they will be provided to the Board and then posted on the website.

Motion was made by Trustee Thompson, seconded by Trustee Sabia, to approve all items under 8. and 9., including Supplemental items 8.01.1 (Schedule A #24-29) and 8.03 (Appointment of DASA Coordinators), and excluding withdrawn items 8.01.3 Schedule D (Extra Pay), 8.01.5 Schedule K (PDC NASA), and 8.01.6 Schedule L (PDC UTN).

8. SUPERINTENDENT'S REPORT, GENERAL – FOR BOARD ACTION

8.01 Personnel Schedules, each dated September 9, 2013, and each attached and made part of the official minutes:

- 8.01.1 Schedule A – Certified Staff (including Supplemental A #24-29)
- 8.01.2 Schedule B – Non-Instructional Staff
- 8.01.3 WITHDRAWN
- 8.01.4 Schedule J – Committee on Special Education
- 8.01.5 WITHDRAWN
- 8.01.6 WITHDRAWN

8.02 Approving the following resolution regarding the 2013-2014 Annual Professional Performance Review (APPR) Plan:

“WHEREAS, the District has been unable to reach final agreement on a 2013-2014 Annual Professional Performance Review (“APPR”) Plan; and

WHEREAS, the State Education Department requires that the District submit an Implementation Certification Form by August 30, 2013 regarding the status of its APPR Plan for the 2013-2014 school year; and

WHEREAS, the District submitted the Implementation Certification Form to the State Education Department on August 29, 2013;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Education hereby ratifies the execution of the Implementation Certification Form by the Superintendent of Schools and the President of the Board of Education, which form certifies that the District's current APPR Plan in effect for the 2012-2013 school year shall remain in effect until a subsequent plan is agreed to; and

BE IT FURTHER RESOLVED, that the Board of Education authorizes the Superintendent of Schools or her designee to submit this form to the State Education Department.”

8.03 Appointing the following staff members to serve as Dignity for all Students Act Coordinators for the 2013-2014 school year:

Northport High School – Irene McLaughlin, Terrence Hinson, Shannon Dantuono, Denise Keenan, Dan McKean, Dan Danbusky, Kathy Teubner, Anthony Ferrandino
Northport Middle School – Tim Hoss, Chelsea Brown, Darcy Pattison
East Northport Middle School – Pat DeStefano, Catherine Silletti, Theresa Braun, Mary Wine
Bellerose Avenue School – Lori Beekman, Alan Tener, Lisa Quartararo
Dickinson Avenue School – Patricia Essensfeld, Caitlin Bisulca, Christie Moser
Fifth Avenue School – Tom Harrison, Beth Theofield, Melanie Fisher
Ocean Avenue School – Sabina Larkin, Theresa Pellegrino, Cori Scheidt
Norwood Avenue School – Michael Genovese, Nicole Barbier-Adil, Beth Dragone
Pulaski Road School – Jeff Haubrich, Jim Durand, Marti White

9. SUPERINTENDENT’S REPORT, FINANCIAL – FOR BOARD ACTION

9.01 Approving disposal of the following mathematics textbooks at the middle school level:

Print, 300 texts	9.01.1	Holt Mathematics, Austin, Tex.: Holt, Rinehart and Winston, 2007,
50 texts	9.01.2	Foundations in Algebra, Lexington, MA, D.C. Health, 1995, Print,

9.02 Approving transfer of general fund appropriations in the 2013-2014 budget

9.03 Approving the following resolution authorizing the establishment of The Lillian S. Brueggemann Educational Scholarship Fund:

"WHEREAS, the Brueggemann Family have established a scholarship in memory of Lillian S. Brueggemann.

The Brueggemann Family will deliver annually to the Board of the Northport-East Northport School District a sum of money determined by the family for The Lillian S. Brueggemann Educational Scholarship Fund.

1. The scholarship shall be awarded annually to a graduating senior of Northport High School who:

- is pursuing a college degree in the field of education; and
- who exemplifies a love for education, which inspires others as Lillian S. Brueggemann did in her long career in education.

2. Nominations for the scholarship can come from any Northport High School counselor and/or teacher. With the assistance of the guidance counselors and teachers, potential recipients will be identified and notified by submitting a brief essay on "What being a teacher means to me". The Brueggemann family will select the winner.

3. Notification of the Scholarship shall be awarded at the senior award night or at graduation. The choice of the event at which to bestow the Scholarship will be at Northport High School's discretion.

4. The Scholarship shall be paid to the recipient within one month after he or she presents proof of matriculation at an accredited college, university, or vocational school to the Northport-East Northport School District.

5. If there is no student qualified to receive the Scholarship or if the recipient to whom the scholarship has been awarded does not matriculate at an accredited college, university or vocational school, the monies shall be retained by the Brueggemann Family until the following year, to be awarded to a then-graduating senior under the same terms and conditions set forth above.

6. The Board understands that the Donor may from time to time wish to change the Award or how it functions. Said changes will be proposed in writing with sufficient time for Board review prior to any expectation that substantial changes will be implemented.

7. This Agreement contains the entire understanding of the parties, and there are no undertakings by either of the parties other than those expressly set forth herein.

8. The Board of Education mandates that all students regardless of race, color, creed, gender, national origin, religion, age, sexual orientation, economic status, marital status or disability shall be eligible for all awards and scholarships given or disseminated by the School District."

9.04 Approving the Internal Audit Risk Assessment Update Report for the Period Ending December 31, 2012

9.05 Approving the Internal Audit Report on Extraclassroom Activity Fund for the Period Ending April 10, 2013

9.06 Approving the Internal Audit Report on Cash Management for the Period July 1, 2012 through June 30, 2013

9.07 Approving a Supplementary Education Services Agreement between the Northport-East Northport Union Free School District and Health Training/Consulting, Inc. (Student Support Services)

9.08 Approving the following donation to the District:

9.08.1 \$25.00 from Rosalie Lucia in memory of James Waters to the David Trachtenberg Memorial Scholarship Fund

Vote on Trustee Thompson's motion to approve all items under 8. and 9., including Supplemental items 8.01.1 (Schedule A #24-29) and 8.03 (Appointment of DASA Coordinators), and excluding withdrawn items 8.01.3 Schedule D (Extra Pay), 8.01.5 Schedule K (PDC NASA), and 8.01.6 Schedule L (PDC UTN) was unanimously carried.

10. SUPERINTENDENT' REPORT – FOR INFORMATION ONLY

10.01 Schedule H – Use of Facilities

11. UNFINISHED BUSINESS

Trustee Maloney inquired about the data on the BOCES demographic study requested by Trustee Rapiejko at the last Board meeting.

Dr. McDermott stated that the information will be in Friday's Update.

12. NEW BUSINESS

Dr. McDermott announced that Counsel Gross' PowerPoint presentation on LIPA is available on the District's website.

13. ADJOURNMENT

There being no further business to discuss, motion was made by Trustee Thompson, seconded by Trustee Topel, to adjourn the meeting.

At 10:16 p.m. the Chair declared the meeting adjourned.

Beth M. Nystrom
District Clerk

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