

**GREAT NECK LIBRARY
MINUTES OF THE
SPECIAL BOARD OF TRUSTEES MEETING
Thursday, April 15, 2010, at 7:30 p.m.**

A special meeting of the Board of Trustees of the Great Neck Library was held on Thursday, April 15, 2010 at 7:30 p.m., in the Community Room of the Great Neck Library, 159 Bayview Avenue, Great Neck, New York 11023. [Agenda attached]

The following Trustees were present constituting a quorum:

Andrew Greene – President
Anna Kaplan – Vice President
Janet Eshaghoff – Secretary
Varda Solomon – Treasurer
Josie Pizer – Assistant Treasurer
Marietta DiCamillo – Assistant Treasurer
Martin Sokol

Also present:

Jane B. Marino – Director
Laura Weir – Assistant Director
Neil Zitofsky – Business Manager

CALL TO ORDER

The meeting was called to order by the President at 7:45 p.m.

PURPOSE OF MEETING

President Greene stated that the purpose of the meeting was to discuss the Station Branch relocation and the proposed 2011 Library Budget, both of which are inter-related, since costs associated with the build-out and operation of the larger space would impact on the budget. It is the Board's intention to come to some direction with respect to the Station Branch tonight. The other option facing the Board is not to decide tonight, but when a consensus has been reached the project would be funded from retained surplus which would not impact on the proposed 2011 budget.

Director Marino reported that the Board had asked her to work with the architect to come up with a plan for renovating the space and the estimated build-out costs before the lease can be signed. She gave an overview of the plan. The architect had also prepared a bidding document for the contractors. The purpose of the bids is to determine the range of costs for the build out.

Four contractors, numbered 1, 2, 3, and 4 (numbered for confidentiality purposes until a contractor is chosen) submitted bids. Bidders 1 and 2 were interviewed by the architect and the Director and they discussed value engineering. They were interviewed because both the architect and the Director were pleased with their initial bids and they are willing to negotiate their numbers to get the best price. Bidders 3 and 4 were not interviewed. Bidder 4 included items under one price instead of breaking them apart. The Board was sent copies of the plans as well as the actual information on the contractors who did the bidding. She was planning on arranging for the Board to interview the contractor.

Following this, President Greene called for the Trustees to weigh in.

Trustee Kaplan pointed out that all the contractors were given the same bid form by the architect which asked for charges line by line.

Trustee Sokol felt that although the list of references was impressive, he would be more comfortable in terms of quality of the clients they have worked for. He would also like to see a higher amount than \$300,000 built in for more leverage in case of over-runs. The price is reasonable and a vote should be taken tonight.

Trustee Pizer stated that a 5% contingency was already built in proposals from Bidders 1 and 2 that would hopefully take care of any over-runs.

For clarity, President Greene explained that if the Board votes tonight it is to approve the lease and then move on to negotiate the build-out costs and the operational costs of \$150,000 which will have an impact on the proposed 2011 budget. He asked the Trustees if they were prepared to include the \$150,000 in the budget that will result in a tax increase for the community. \$150,000 would amount to approximately 1.3% of the 2.8% tax increase that the budget calls for. This means that for a home assessed at one million dollars the tax increase would be \$4 for the year.

Trustee Eshaghoff brought out that if the Station renovation is not done, then the tax increase would be minimal. Noteworthy is the fact that the Board has not raised taxes in four years. But the time is perfect to move forward with the Station Branch project which will be able to accommodate some of the overflow from the closing of Main during the renovation/expansion.

Trustee Pizer stated that Bidders 1 and 2 have been value engineered whereas 3 & 4 have not and this accounts for some of the differences. She has no hesitation that it is a good deal but what is more important is not the percentage increase but the dollar amount. Benefit outweighs the cost but she needs more time to investigate the numbers. She feels comfortable voting for the lease although she has not yet met the contractors.

Trustee Solomon thought it is a good opportunity to have Station Branch more spread out and functional which will enhance the library system. She thinks it is reasonably priced. She is prepared to vote for the budget tonight to include the operational costs for Station but is not prepared to vote on the lease at that time. She has concerns about using Branch and Special Services fund to pay for the project.

Trustee Kaplan thanked the Director for the hard work she did in obtaining proposals for architects as well as bids from contractors whom the Trustees will get to meet them.

Trustee DiCamillo asked about the components of the budget being presented to which the Business Manager responded that it included the retirement incentive for four staff members, it has no applied balance and no Station Branch expenses. The tax increase is 2.8% but without the Applied Balance it would be 4.1%. He explained that the Applied Balance is one half of the tax increase because of difference in the School District and the Library operating on different taxing years. The School is on a July to June year and the Library is January to December. When the Library requests the tax increase for the budget needed for January 1, 2011, the School's budget year begins July 1, 2010, and the Library will get half year increase needed at that time. So that money can be saved and used in 2011.

Mr. Zitofsky identified alternate methods of funding rather than incorporating into the budget. If the Applied Balance was used, this would keep the budget flat at 2.8%. The General Operating fund has working capital, unallocated funds used for funding a deficit budget. The Fund balance at the end of December 2009 has \$3,203,000, of which \$2,778,000 is the four-twelfths used for working capital for the months the Library does not receive any money from the School District, leaving a balance of \$425,000. There is also half-a-year of money for 2010 which is \$111,000 and there is the Branch Fund which is another \$107,000 that is available to us. So in total, there is over \$600,000 from which Station Branch could be funded.

President Greene argued in favor of not burdening the public with a tax increase in view of a bond referendum that the public will be voting on hopefully by the end of the year. He encouraged the Board to consider the implication of it. He felt that the lease could not be signed tonight without any definitive build-out costs. He suggested that voting on the lease tonight be postponed and the matter referred to the Branch Committee for a recommendation of a contractor. A budget could then be approved next Tuesday without the operational costs knowing that there are funds to pay for it.

Trustee Eshaghoff stated that there is enough information to sign the lease.

Trustee Kaplan added that she is aware that times are tough. But since these funds could be used without taxing the public, the Board should send the right message and sign the lease. The Board decided on a smaller Main Building so the branches could benefit. This is the right opportunity and she would vote to sign the lease tonight. She is in favor of using alternate funding. She suggested that appointments to be set up for the Trustees to meet with the contractors.

Trustee Pizer stated that there is certain number of days in the new lease to get the build out completed and to occupy the premises. If the time period is exceeded, the Library would be paying two rents simultaneously for both locations. If the Board should delay signing the lease tonight and sign within the next month, we will be further along on having chosen a contractor, getting permits and complete the project before the eight months are up. There will be then a month of free rent [ninth month]. This is very important because the money can be used for more programs, or just savings.

President Greene asked for someone to formulate a motion and then he would take comments from members of the public.

Upon motion by Anna Kaplan, seconded by Janet Eshaghoff, and after discussion, it was

RESOLVED, that the Board of Trustees of the Great Neck Library approve the new lease for Station Branch tonight.

Public Comments:

Howie Beagleman wanted to know if the contractors would be putting up a performance bond because there is no way it could be finished in eight months.

Pam Marksheid (Village of Great Neck Plaza Trustee) is concerned that the landlord has gone from a 10-year lease with no renewal to a 15-year lease with a 10-year extension. He has bent over backwards and made many concessions. The Library's attorney has done a good job negotiating for the library and the residents. She asked the Board to get a sense of the people who came out tonight on whether they want the Board to vote for the lease now. She even supported the Board voting for the lease now and signing it in two weeks.

Jerry Schneiderman (Village of Great Neck Plaza Trustee) has been attending the Library's Board meetings for the last six months and he noticed that someone always finds a way to procrastinate signing the lease. He has seen the architect and attorney attending meetings and it is costing the residents. He urged the Board to approve the lease and sign it in two to three weeks. It is not fair to all the people who are here tonight.

Dan Nachmanoff implored the Board to sign the lease without finalizing the construction costs. The Board already has an estimate and a complete breakdown cannot be done until there is a contract. You know you can afford it, sign a lease today.

Ralene Adler thanked the Board for its diligence to protect the community, as the Library serves everyone and not one small group. She had concerns about Station Branch alluded to as temporary site without getting adequate input from the community. Six months ago, she was assured by representatives who were present at tonight's meeting that the landlord would redesign the parking lot for entrance and egress. She urged the Board to be very cautious when signing the lease given the push coming from one segment of the community. She applauded the Board for its cautiousness and ability to assess the cost in the long term and the impact on Main.

Stan Romaine urged the Board to vote tonight to approve this proposition. It's been examined many times. There is a need and the Board should move forward.

Lady #1 told the Board to either make a commitment by moving the project forward or stop the project. The Plaza is a vibrant community that is expanding and families are moving in. The Library needs to be expanded. Make a decision.

Corrine Coe, a Station Branch user who sat on the Board during the construction of the Main Library, asked the Board to approve the lease, and asked whether the Board had seen any work that the contractors have done?

Michael Currie inquired if the Board has finished negotiating with the landlord and if the answer is yes, then there is no problem if they vote 'intent' which gives them the time frame they need. There is no extra pressure they need to put on the landlord.

Stu Hochron stated that it is important that Station Branch stays in the Plaza. He is fine with moving upstairs and fine with signing the lease either tonight or in two weeks. He supports the suggestion to use the applied balance.

Mayor Jean Celender complimented the Board on its diligence on studying this issue. She wants to see the Station Branch remain in the Plaza. The costs seem reasonable, and should be done from the fund balance. We would like to see that vote of confidence. We would like to see this go forward, even if you do say you are not going to sign it tonight, but we would like to see a vote of intent. The Landlord has been waiting patiently and you have received a lot of concession from him with respect to the improvement. The parking lot improvements have been approved by the Village of Great Neck Plaza Board of Trustees months ago but it is only April 15th and the asphalt plant is not open now. Cuts for the drop off area have been made and we will hold the landlord to those improvements, which are a part of the conditional use and façade permit they have. Please vote on this. We want this to happen. We want the community to be satisfied that you are moving this along and doing it as fast as you can.

Lady #2 lives in GN 35 years and this was the first time attending Library Board meetings. Station Branch offered something to seniors and it so precious and remarkable. We can't drive or walk as before but we can walk to this Library. We can't explain to you how important it is in our lives. It will be a horrible, terrible blow to us to lose Station Branch. It is remarkable that they were able to do what they have done in this space. If the landlord offered us and was gracious enough to make certain accommodations for us, you should go ahead and sign this lease.

Lady #3 – She uses Station a lot and she has a friend in another Library district who told her that people, not only seniors, are now using their library much more because of the economy. People are giving up buying newspapers because they are available at the Library. People who have to give up computers can use the computers at the Library. It is a lifeline. Station is important to all ages, and people from all over. Touching books is very important to her as she loves the feeling of books.

Lady #4 – Thanked the Board for all the work done. Listening tonight to all the concessions the landlord has made, it is not worth the chance that he gets angry and said I have given you everything you wanted and you can't sign the lease. If some other business opportunity comes along, he will take it. It's not worth taking that chance. How much will you be saving by signing the lease two weeks later?

Trustee Pizer wanted to know how the other Trustees felt about amending the motion to approve the lease tonight with a vote of intent to sign at a future date.

Director Marino explained that once the lease is signed, the landlord has to remove items from that space which may take between four to eight weeks. The clock starts ticking when this is done and the Library takes possession of the premises. That is when the free rent period starts. Once we get in there we have 90 days to produce plans, specs and do the build out.

Upon motion by Andrew Greene, seconded by Josie Pizer, and after discussion, it was

RESOLVED, that the Board of Trustees of the Great Neck Library approve the signing of the Station Branch lease provided that the funding for the build out and the operational costs for 2011 not be made with a tax increase for 2011 [to come from unallocated surplus].

VOTE: Yes – 7 (DiCamillo, Eshaghoff, Greene, Kaplan, Pizer, Sokol, Solomon)

MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

The meeting was adjournment at 9:30 p.m. on motion by Trustee DiCamillo and seconded by Trustee Pizer.

Respectfully submitted,

Janet Eshaghoff
Secretary