

Bruce Singer

From: Bruce Singer
Sent: Thursday, June 09, 2011 3:03 PM
To: James J Nolan; cclayton@ingermansmith.com; 'Mary Anne Sadowski'; Christine Lampitelli; Douglas Duncan; Jim LaCarrubba; Michael Licata; Mike Isernia; Mike Timo; Robert Scavo; Sal Tripi; Tony Falco; Gail Grenzic; Jessica DePasquale; Jill Karp; Kristin Capel-Eden; Paul E Manzo; Ron
Cc: Joan Bencze; Carol Truglio; Carol Burns; Carol Adelberg; Barbara Waidler; Cynthia Carvajal
Subject: Update on District Office/ SCTA lease

Good afternoon

RE: District Office/ SCTA lease

As a follow up to the last BOE meeting, please see information below:

SCTA lease - \$50,000 divided by 9000 sq. feet = \$5.55 per foot

In order for us to obtain a fair market value of rental of the district office, we would need to comply with handicap accessible rules and provide additional parking.

Cost of renovations for Handicapped Accessibility - \$200,000

Cost of 50 additional parking -

\$150,000

Total cost of renovations-

\$350,000

The debt service for construction cost of \$350,000 would require voter approval, which would be included in the 2012-13 budget

If we use a 10 year amortization for the \$350,000 expense then we would incur an annual expense of \$35,000. I did not include interest expense for this illustration.

The \$35,000 divided by 9000 sq. feet is \$3.88 per foot

The fair market rental rate is approximately \$10.00 per foot. We would need to subtract the additional cost of the renovation of \$3.88.

Therefore, we can estimate that the fair market rental value (net of expenses) is \$6.12 per foot (\$10.00 - \$3.88)

Please be reminded that after renovations are completed next summer, then we would need to find tenants. We would incur utility costs during the time period until the building can be occupied. The annual utility cost is \$30,000

We would also be losing the revenue rental during that same time period

John Heslin is completing review of the revised SCTA lease agreement. It is planned that we will have the SCTA lease recommendation for approval on the June 15, 2011 BOE agenda

Please let me know if you require any other information

Thank you,
 Bruce

Associate Superintendent
 Sachem Schools
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 631-471-1321

email- Bsinger@sachem.edu

6/9/2011

MEMORANDUM

TO: James J. Nolan
Superintendent of Schools

FROM: Bruce H. Singer
Associate Superintendent

DATE: March 28, 2011

RE: DISTRICT OFFICE MOVE TO SAMOSET ANNEX

The asbestos removal project was scheduled for the summer of 2010. Due to District Office activity at that time, the contractor agreed to perform the work during the summer of 2011. When we recently met with the contractor, architect and engineers, it was determined that District Office could not be occupied during the one month asbestos removal project. As an outgrowth of the asbestos project, it was requested that we review the feasibility of permanently moving to Samoset Middle School.

On Wednesday, March 9th, you and I, met with Mike Bergin, John Conway, Matt DeMeo, Jessica DePasquale, Paul Manzo and Ed Miller to review the available open space at Samoset and determined that the existing District Office staff can quite comfortably move without impacting the existing staff at Samoset.

In the past we were uncertain about tenants for District Office. The SCTA has expressed interest at moving into the existing District Office building at an annual rent of \$50,000. I have sent that request to Mary Anne Sadowski to finalize a rental agreement which we will bring to the Board of Education to approve.

On Thursday, March 10th, the Facilities staff and I walked the building again to ensure that the staff in the current District Office can be appropriately accommodated. As many rooms were constructed to be classrooms, in order to convert to offices, we will need to install different HVAC units, install additional electric and data lines for the computers and partition rooms into offices. The anticipated cost of the move and renovations is approximately \$100,000. As we will be receiving \$50,000 annual rent for the District Office, we will break even in two years.

Additionally, all district wide administrators will be housed at one location; this will lead to other efficiencies. As we are currently in separate offices, we will minimize any duplication of services.

In the event you have any questions or concerns, please do not hesitate to contact me.

BHS:cmc

Bruce Singer

From: Bruce Singer
Sent: Friday, August 12, 2011 4:08 PM
To: James J Nolan; Joan Bencze; Joni; Michael Bergin; Ed Miller; John Conway; Christine Lampitelli; Dorothy Roberts; Douglas Duncan; Michael Isernia, Esq.; Mike Timo; Robert Scavo; Sal Tripi; Teri Ahearn; Tony Falco; Gail Grenzig; Jessica DePasquale; Jill Karp; Kristin Capel-Eden; Paul E Manzo; Ron Sacks
Cc: Carol Adelberg; Carol Burns; Carol Truglio; Barbara Waidler
Attachments: Analysis of DO move to Samoset.xls

Good afternoon

RE: Financial Analysis of District Office move to Samoset

Attached you will find financial analysis of the District Office move to Samoset.

It was anticipated that we would break even after a two year period; we have actually saved money in the first year.

A special "thank you" to the many staff who contributed to the successful move, in particular, Ron, Mike B and Ed Miller. Our maintenance and custodial staff again have worked wonders with minimal overtime, during the hottest days of the summer. They have gone above and beyond our expectations. A job "well done" does not truly describe my tremendous appreciation for their efforts; it is these types of accomplishments which make Sachem Schools a special place to work.

As summarized in the attached report, we have actually generated income and saved the community a total of \$46,000 in the first year due to the consolidation of administrative offices

Detailed attached:
Financial Analysis-
Rental Income
Expenditure reductions (utility cost and personnel)
Cost of move - salaries, overtime, cost of movers, flooring, cost of construction materials

If in the event, you have any questions, please let me know

Thanks
Bruce

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8/12/2011

**District Office Move to Samoset
Financial Analysis**

<u>Revenue</u>		<u>\$50,000</u>	Rental Annual Income
	Sub-total	<u>\$50,000</u>	

Expenditure Reductions

utilities savings	\$30,000
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Office Staff	\$100,000
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Sub-total	<u>\$130,000</u>
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Cost of Move Expenses

Actual Cost	\$83,972.19
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This includes salaries, overtime, cost of movers, and flooring
It was estimated to cost \$100,000, the actual cost is \$83,972

Sub-total	<u>(\$83,972.19)</u>
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Grand Total	\$46,027.81 SAVINGS
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In summary, it was envisioned that we would break even over a two year period, we have actually generated income and saved the community a total of \$46, 027 in the first year due to the consolidation of the administrative offices