

**BOARD OF EDUCATION
SHEBOYGAN AREA SCHOOL DISTRICT
Sheboygan, Wisconsin
SPECIAL SESSION MINUTES
Tuesday, February 14, 2017**

A Special Session of the Board of Education was held on Tuesday, February 14, 2017, at 7:15 p.m. in the Board of Education meeting room, 2nd floor, of the Administrative Offices, 830 Virginia Avenue, Sheboygan, WI 53081 following the Committee of the Whole meeting.

- I. President Reinthaler called the meeting to order at 7:29 p.m.
- II. Board Members Present: Mr. David Gallianetti, Ms. Mary Beth Martin, Ms. Marcia Reinthaler, Mr. Ryan Burg, Mr. Larry Samet, Mr. Mark Mancl, Mr. Peter Madden, Dr. Susan Hein

Ms. Jennifer Pothast was excused.
- III. Moved by Dr. Hein, seconded by Mr. Burg to approve the agenda as presented. All ayes. Motion carried unanimously.
- IV. Ms. Reinthaler stated that this evening is the first opportunity the Board of Education has had to review the purchase agreement proposed by Aurora Health Care, Inc. and commented that on March 7, 2017 there will be Special Session meeting at South High School at 6:00 p.m. which will allow for the community to provide input with regards to the purchase agreement.

Mr. Boehlke provided a summary of the real estate purchase agreement received by Aurora Health Care, Inc. for the property located at 3306 Saemann Avenue and discussed six bulleted points as follows: 1) A purchase price of \$2.5 million. 2) At the buyers cost and expense, construction of replacement fields on the East Parcel, to include 2 baseball fields, 2 soccer fields, parking, a maintenance garage, and a concession/restroom facility. Also included in exchange for naming rights to the concession/restroom facility is the purchase and installation of lights to one of the baseball fields (southwest corner of property). 3) \$2,233,244.11 from buyer to be held in escrow and used for the construction of soccer fields on property selected by the District, which may include the City owned Butzen property. 4) \$75,000 from buyer for the construction of baseball fields. 5) \$25,000 from the buyer for improvement of athletic facilities. 6) Lease agreement for the District to continue to use the West parcel until the replacement fields on the East parcel are completed. There is no payment by the District for this lease.

Mr. Boehlke added that the only change from the original agreement is the purchase and installation of lights to one of the baseball fields in exchange for naming rights to the concession/restroom facility. The original agreement there was a cap on the cost of the lighting. The new agreement Aurora Health Care, Inc. will pay the entire cost. He noted that administration has asked for some minor changes and will provide those changes within the next few days. The approval period is on or before July 31, 2017. Ms. Martin inquired as to whether there had been an appraisal done on the property and Mr. Boehlke responded there were three appraisals by three different companies (\$1.3 million, \$1.5 million and \$2.275 million). Mr. Graebner stated that he is pleased to be discussing the purchase agreement and that his organization in December determined to have a medical center in Sheboygan. He talked about the changing medical landscape both locally and nationally and that the best option is to remain in the City of Sheboygan and that the 3306 Saemann Avenue property is the best location. He added

they have also looked outside of the City for other building options. Ms. Martin requested that the attorney's review the language on Page 3, 5. Conditions Precedent to Seller's Obligation - to be clear that it is not the "Buyer's" obligation. Mr. Gallianetti asked Mr. Graebner if he could tell the school board what the timeline of development would be if the District sells the property and Mr. Graebner stated that he has some estimates; however, it would be a bit premature to discuss until the City defines the process whether it be a conditional use permit or rezoning. Ms. Martin asked for clarification regarding the language in 24.2 of the agreement and Mr. Boehlke responded that language was added as a result of the lights for the baseball fields being funded by Aurora Health Care, Inc. Mr. Mancl also requested clarification with regards to Page 3, 6. a. Full Access and Cooperation – check to be sure the condition of Access Agreement dated August 27, 2014 is correct. Ms. Martin then referred to the Athletic Fields Lease Article 2 Term and Termination 2.1 Term and requested clarification with regards to the independent architect to determine substantial completion. Mr. Boehlke commented that legal counsel indicated that is a typical decision for Aurora Health Care, Inc. architects; however he and Mr. Albright would be in ongoing discussions as the projects proceed. It was suggested to add the following language "in consultation with". Mr. Burg asked if there was going to be a second fence installed as the drawing reflects and Mr. Albright responded that there will be a second fence installed at an approximate cost of \$18,000 that the District will cover. Mr. Madden asked about the wetlands and Mr. Albright noted they will need to be maintained. Mr. Gallianetti mentioned the letter from the Department of Natural Resources (DNR) the District just received and Mr. Albright confirmed that the Stewardship grant conversion of the Field of Dreams property previously approved is still valid. Ms. Martin asked whether the District would incur any additional costs with the new offer and Mr. Boehlke stated there were no additional costs. Mr. Mancl asked for clarification on the \$2.2 million in escrow and Mr. Boehlke commented that the only restriction is the funds must be used for soccer facilities. The District would like to partner with the City for that purpose; however, we do have other areas to develop soccer fields if necessary. Mr. Mancl noted we would need to develop additional parcels in order to fit under the DNR grant and Mr. Boehlke noted that was correct. Ms. Reinthaler asked Mr. Graebner what will happen with the current Memorial Hospital should Aurora leave and he responded they do not have a financial obligation but would work with the City and a third party; however, they will no longer be a hospital based on either scenario.

V. Moved by Mr. Mancl, seconded by Dr. Hein to adjourn at 8:10 p.m. to Closed Session per Wisconsin State Statutes Sec. 19.85 (1)(c) – To consider the annual performance evaluation of the Superintendent in accordance with Policy 1240 and to consider the employment contract of the Superintendent of Schools. A roll call vote was taken and motion carried unanimously (Hein, Martin, Samet, Mancl, Gallianetti, Reinthaler, Burg, Madden)

VI. Moved by Dr. Hein, seconded by Ms. Martin to reconvene at 9:17 p.m. to Open Session. All ayes. Motion carried unanimously.

Moved by Mr. Gallianetti, seconded by Mr. Samet to approve the second addendum to the employment contract between Joseph M. Sheehan and the Sheboygan Area School District. All ayes. Motion carried unanimously.

VII. Moved by Mr. Burg, seconded by Dr. Hein to adjourn at 9:18 p.m. All ayes. Motion carried unanimously.



Joseph M. Sheehan, Ph.D.
Superintendent & Secretary of the Board