Meeting of: April 4, 2006

Call of the Meeting: Special Legislative Meeting

Members Present: Mr. Brentley, Mrs. Colaizzi, Dr. Dowd, Mrs. Fink, Mr. Isler, Mr. McCrea, Mr. Sumpter, Jr. and Mr. Taylor

Via Telephone: Mr. Romaniello, Sr.

The following matters were received and acted upon.

Actions taken are recorded following the reports.
ROLL CALL

A. COMMITTEE ON BUSINESS/FINANCE

1. Sale of Regent Square School [Roll Call]

New Business [Roll Call]
RESOLUTION FOR THE
SALE OF REGENT SQUARE SCHOOL

RESOLVED, this 4th day of April, 2006 that the Board of Public Education award the bid for the sale of Regent Square School Property, located at 892 Milton Street, 14th Ward, City of Pittsburgh, Block and Lot Number 176-J-186 to Schoolhouse Finance L.L.C for Three Million Dollars according to the terms of the bid submitted on March 1, 2006 and further authorize the proper officers of the Board and District to prepare and execute all closing documents in connection with said sale.
TRANSCRIPT OF PROCEEDINGS

PITTSBURGH BOARD OF PUBLIC EDUCATION
SPECIAL LEGISLATIVE MEETING
TUESDAY, APRIL 4, 2006
6:11 P.M.
ADMINISTRATION BUILDING - BOARD ROOM

BEFORE:
WILLIAM ISLER, BOARD PRESIDENT
RANDALL TAYLOR, FIRST VICE PRESIDENT
THERESA COLAIZZI, SECOND VICE PRESIDENT
MARK BRENTLEY
PATRICK DOWD
JEAN FINK
FLOYD McCREA
DANIEL ROMANIELLO, SR. (Via Telephone.)
THOMAS SUMPTER

ALSO PRESENT:
MR. MARK ROOSEVELT
DR. ANDREW KING
MR. IRA WEISS
MR. RICHARD R. FELLERS
MS. LISA FISCHETTI

REPORTED BY: EUGENE C. FORCIER
PROFESSIONAL COURT REPORTER

COMPUTER-AIDED TRANSCRIPTION BY
MORSE, GANTVERG & HODGE, INC.
PITTSBURGH, PENNSYLVANIA
412-281-0189
MR. ISLER: Ladies and gentlemen, I would like to call the April 4th, 2006 Pittsburgh Board of Public Education special legislative meeting to order. Would you all the please rise, so we may salute the flag.

(Salute to the flag.)

MR. ISLER: Thank you, very much. We will not have any approval of minutes, we will go directly to the roll call.

Mr. Weiss.

MR. WEISS: Mr. Brentley?

MR. BRENTLEY: Here.

MR. WEISS: Mrs. Colaizzi?

MS. COLAIZZI: Here.

MR. WEISS: Mr. Dowd?

MR. DOWD: Present.

MR. WEISS: Mrs. Fink?

MS. FINK: Here.

MR. WEISS: Mr. McCrea?

MR. McCREA: Here.

MR. WEISS: Mr. Romaniello?

MR. ROMANIELLO: here.

MR. WEISS: Mr. Sumpter?

MR. SUMPTER: Present.
MR. WEISS: Mr. Taylor?

MR. TAYLOR: Here.

MR. WEISS: Mr. Isler?

MR. ISLER: Present.

MS. FINK: All present.

MR. ISLER: Thank you, Mr. Weiss.

There is one resolution that we will be considering, I would like to read it before the Board.

(Mr. Isler read from prepared material.)

MR. ISLER: Do we have a motion to approve the resolution?

MR. DOWD: So move.

MR. ISLER: It's been moved. Do we have a second?

MS. COLLAZZI: Second.

MR. ISLER: Do we have discussion, ladies and gentlemen?

Mrs. Colaizzi.

MS. COLLAIZZI: I just want to make a couple of points for the sake of the public.

First of all, this sale, whether it goes through or not, does not in any shape, way or form, also give approval to a charter school.

I think that's vital.

I have gotten a lot of e-mails that are
basically assuming that the sale of the property also
is an agreement to a charter that has not even come
forward.

Secondly, there is the other thing I would
like to ask, is if I am not mistaken, this company is
right now a taxing -- it is taxed at this moment so,
therefore, any sale -- or, I'm sorry, any real estate
tax, we would still be collecting at this point in
time, they are not a nonprofit.

They would have a transfer sales tax, and
then they would have normal taxes.

It is also a little over three times the
amount the property is worth.

This one's a difficult decision, since it
is a company that is interested in doing a charter
school.

I guess my biggest fear here is that
whether they choose to try to charter this building,
or another building, it is still an issue for this
Board later, if they do bring a charter forward.

The other comment I wanted to make was,
does this in any way impose this Board in setting
precedence that we would be willing to sell any of our
properties to charter schools, or any other competing
bodies?
MR. ISLER: Mrs. Colaizzi, is that a question?

MS. COLAIZZI: Yes, it is, Mr. Isler.

MR. ISLER: Mr. Roosevelt, who is going to answer the question, on behalf of the District?

MR. ROOSEVELT: Mr. Weiss.

MR. WEISS: The Board is free to set whatever conditions it wishes, on future sales.

This was a request for bids, the conditions of the bid were that it was an as-is sale, with no contingencies.

The Board is free, in the future, to establish conditions on any future sale, which I can review with the Board at that time.

So, unlike other decisions the Board may make in other areas of School District business, this is a sale that stands on its own.

There is no precedent involved here, it is the sale of this property, and the Board is not going to be bound, in the future, by anything it does here.

MS. COLAIZZI: And, also, I guess, and this goes to Mr. Fellers, you know, in the past we have had situations where we have sold buildings, and then nothing has happened to those buildings.

What is our options in those situations, if
it was to occur with this building?

MR. FELLERS: We have since built in a reversion clause, that if there is no action within three years, we have the option to buy the property back, take possession of it for resale, and we would get it back less any expenses that have been incurred.

MS. COLAIZZI: So, if it's sold at the amount that it says today, let's say three years from now they did nothing, what kind of costs are we looking at three years from now, to buy it back?

MR. FELLERS: Well, it's hard to anticipate what expenses we may incur in that time, but I would assume that we get to keep the hand money in any event, since they have not fulfilled the terms of the obligation.

So at the most we would have to pay to buy it back is $2.7 million.

There might be other expenses that would bring that figure somewhat lower and, of course, we could resell the -- initiate a process to resell the property.

MS. COLAIZZI: And, one last question.

Mr. Roosevelt, are you giving us a recommendation?

MR. ROOSEVELT: We wrestled with this for
the last few days.
There was not a unanimous opinion on the part of our cabinet.
My recommendation would be to go forward with the sale.
It is not, as you said, in my opinion, an easy decision, but I think you need to take one step at a time, when considering this bid.
First of all, the bid does meet the criteria that the Board established for the sale of this building. I think that's important.
If you decide, in the future, to establish different criteria, so be it.
Second, the bid is of a financial price that I have an awful lot of trouble recommending not taking it.
And, I do want to emphasize that despite the testimony we received at the public hearing, this is not an application for a charter school.
I don't think it should be treated like an application for a charter school.
The company that is behind this bid, Imagine Schools, is a for profit charter school operator. I don't know what change in their status they might or might not seek, or whether we have been
notified of that.

But, they do have a long record in previous incarnations in other districts.

There are up sides and there are down sides to this.

But in the end, my recommendation would be to accept this bid.

MS. COLAIZZI: Thank you.

And, one last thing, I apologize: The money from this sale goes exactly where?

MR. ISLER: Mr. Weiss clarified that in a memo to us.

MS. COLAIZZI: I realize that.

MR. ISLER: Mr. Weiss, do you want to reinforce that point about where the money, the sale money goes?

MR. WEISS: The proceeds of the sale would either be used for capital projects, or for debt service purposes.

It is --

MR. TAYLOR: What service purposes?

MR. WEISS: Debt service.

MR. ISLER: Debt service.

MR. WEISS: It is not available for general fund purposes.
MS. COLAIZZI: Could it be ever transferred into the general fund?

MR. WEISS: Well, the School Code is very clear, it is debt service, or capital projects. It is very clear.

MR. ISLER: Mr. Taylor.

MR. TAYLOR: Yeah.

And, I do think that this, just to be a process, and as we came to this point, I think that is within the guidelines of the criteria that the District came up with.

I would say maybe 90 percent of the criteria.

And I think 90 percent of where we were trying to go.

I certainly do understand the reasoning behind the recommendation of the Superintendent.

But I can't support this sale, being very fully aware of the $3 million that is quite a nice bit of money for the District, and whatever it goes into, debt service, or whatever, that certainly is one big pocket that we all have here, and the money really, you know -- any way it goes, the sale for this amount of money, and hopefully that we can get other properties for this amount of money, it is going to
benefit our students.

So, that part -- that part is good.

What troubles me is that -- is, one, I do think that a lot of people who were at the public hearings clearly were speaking about a charter school, and I do think that we need to make it very, very clear to them, that the simple purchasing of a building does not translate into a charter.

And that's my sense of fair play, that that needs to be clearly understood.

So one of the first questions I had, were that they could -- even if we passed it this evening, they could rescind their bid or offer, if they chose to do that?

MR. ISLER: Is that a question to Mr. Weiss?

MR. TAYLOR: Yes.

MR. ISLER: Okay.

MR. WEISS: If they rescind, if they choose not to proceed to close the transaction, the District would retain the hand money of $300,000.

MR. TAYLOR: Right.

But they wouldn't be held legally liable for $3 million, the other 2.7 million, they wouldn't be held liable for?
MR. WEISS: Well, the sales agreement provides that the hand money is treated as what we call liquidated damages. So there would be no claim for the full consideration, but we would retain the hand money.

MR. TAYLOR: But, no, the question I am asking, by us voting yes, it does not put them in a position where they are legally now in a binding contract with the District.

If they called next week, and said, "We no longer are interested in purchasing the building, we understand we forfeit the 300,000," but they wouldn't be held, or be in a legal position where we would sue them for the other 2.7, saying that they, you know, reneged on the contract, or reneged on the vote, however.

Or should I ask that a different way?

MR. WEISS: Well, they have submitted a bid to purchase the property for $3 million.

If the District votes this evening, the Board votes to accept it, they are legally obligated to execute a sales agreement and close this transaction in 45 days.

If they do not do that, the District has options with respect to its legal rights.
The most likely result is, they will forfeit $300,000.

MR. TAYLOR: Okay.

But they could not be in any legal jeopardy of having to pay the additional 2.7 million, to get to this 3 million?

MR. WEISS: They could be, but I would not want to mislead you, and say that's likely.

MR. TAYLOR: Okay.

Well, and I did want to ask some further questions, because I believe that we had always talked, as a Board, was trying to get as many of these properties back on the tax rolls, and by doing that, we not only benefit the City of Pittsburgh, but we also benefit the city and the county, who also could reap tax benefits from a sale, if this property was to go on the tax rolls.

So I do think that the School District does have a responsibility to think in terms about the other governmental taxing bodies, who are also suffering.

And so I do think, as we go forward, we should also think again that we work to get these properties on the tax rolls, that we are helping other governmental bodies, and we certainly have talked
about this table about the types of partnerships we
would like to build with particularly city government.

And so, I am concerned about what could
happen with this property, and I am not commenting on
charters, or noncharters, or supporting a charter, or
not supporting a charter.

I just have questions as to whether we have
the sufficient guarantees that these properties are
going to stay, and remain on the property rolls.

And I do think that ultimately, probably
the best method -- and I just wanted to ask you a
little bit more, before we vote, I think we are going
to talk a little bit about it after, but I would like
to ask, is the negotiated sale most likely the best
method in which we could fully get the most guarantees
that a building will be put on the tax rolls, and
remain on the tax rolls; would a negotiated sale be
the best way to achieve that goal?

Please. I don't know. I am asking.

MR. WEISS: Go ahead.

MR. FELLERS: The negotiated sale could --
first requires court approval, and if someone shows up
in court and offers a higher price, the court's going
to recognize that higher price; they are not going to
look at what their use is going to be, but the value
that's going to be derived from the sale.
And that's what they are going to judge it on.

MR. TAYLOR: So the court again could go with that highest bidder, regardless of what they want to do.

Does the court always do that; is that a guarantee the court would go, or do they have discretions in whether they could do that?

MR. FELLERS: You better respond what the courts do.

MR. WEISS: The court has discretion, they could either approve the sale, if it is demonstrated to the court that the negotiated price is equal to, or better than that which could be achieved in a bid situation.

Or, the court could entertain offers at the time of the hearing. That's been known to happen.

MR. TAYLOR: And, who -- I mean, there has been other public entities that have done negotiated sales, that have gone in the court?

MR. WEISS: Yes.

MR. TAYLOR: Okay.

MR. WEISS: And there have been situations where prospective purchasers appear in court, and
demonstrate to the court that they are prepared to pay more, and the judge has permitted them to do that.

MR. TAYLOR: Without regard to whether they would be taxable, or nonexempt properties?

MR. WEISS: That's never been a consideration.

MR. TAYLOR: So what would be the best method? Because I know we talked about it, but I don't think we ever really laid out what is the best road to us getting the most guarantees.

Unless you are saying there is simply nothing the Board can do, as far as getting as many guarantees as they can for a property to be placed on the tax rolls.

I mean, what is the best roadmap for us to get that? Because simply opening it up, and taking it to the highest bidder, we simply have no idea who or what may come forward.

MR. WEISS: Well, I don't think there is a hard and fast rule for every situation.

This District historically has pursued a competitive sale, such as is this one.

In my -- except for the Community College
sale for Ridge Avenue, which did not -- was not completed, at the college's option, in my experience the District has never engaged in a negotiated sale. There could be situations where you had unique properties, and unique purchasers, where a negotiated sale may be better. But, as a rule, this process that we have used here, generally yields the highest price.

MR. TAYLOR: Yeah. I mean, it may yield the highest price, I understand, but again, you know, I'm -- again, if this -- if this was to go, as the people who are bidding hope that this process would go, I mean, clearly, you know, this property would be off the tax rolls within a year.

MR. WEISS: Well, I don't think that is necessarily the case. First of all, School House, LLC -- School House Finance, LLC, is itself a for profit. As the Superintendent has pointed out, the apparent charter entity, that's in the vicinity of School House Finance, LLC, is also a for profit charter company. Now, it is conceivable that the applicant, if one comes forward, could be a nonprofit.
But, at this point we don't know that, and this charter will not come into fruition, at the earliest, until the school year '07-'08, because the application period for this year is gone.

So, the District will get at least one year of taxes, plus they will get the transfer tax that this generates.

MR. TAYLOR: And then finally, what -- what is, and exactly how quickly could the process be in place, before School House can convert that to another entity, that they can describe, and that would pass the legal test as being a nonprofit; how quickly can a process like that take place?

MR. WEISS: Well, theoretically, they would turn it around very quickly.

I mean, they could sell it to a nonprofit. That's conceivable. There is nothing we can do about that.

MR. TAYLOR: Well, I say again, finally, I think the Board should take a closer look at this property, and I do think that we do have a service to people that we should provide, and I do think that this bid was probably far too high than what it should have been, and again, I think because we know the uses of what the people want to turn it into, and I think
that they made a mistake not getting those kind of guarantees, and having those kinds of discussions.

And I do think that as a courtesy, we ought to -- you know, any part of the public, to let them know clearly, whether it is an opportunity for them to advance what they are trying to do, which is clearly as they said to turn this into a charter.

And if that's not the case, then that is an awful lot of money that they wasted, and I don't know if that's exactly our role to drive those kind of hard business decisions, "Oh, you made a mistake," and, you know, I just don't think that's our role.

But that's just my opinion, as a Board member. Other people may see that differently.

But I still think that we need to put us in a very clear, clear process, on how we are going to put these buildings back on the tax rolls.

And obviously, that isn't clear, because we do have a situation here where I don't think that this property is going to remain on the tax rolls for very long.

And I think there has to be some kind of method, particularly when we are talking about buildings that we think are going to be -- are going to meet a lot of interest out there.
We know South, Connelley, Regent Square was one, others, that -- Ridge Avenue, and others that we thought would get a lot of interest out there.

And I just think that we need to maybe slow it down, and take a quicker look, and maybe we can actually put in a method.

Because the way this came out, I just -- it certainly isn't what I hoped to have seen.

I hoped to see somebody wanted to build condominiums, or somebody wanted to do something, as long as it stayed within, you know, zoning regulations, that we are going to go on the tax rolls, and that's really what I hoped that I would see.

So what's in front of us, I think is not ultimately where the Board wants to be at.

Because this is not going to the be first one, we are going to have many other properties that are going to come in front of us, and I think that we need to, you know, get it right from the beginning, from the front end, and I think get a process in place, where we can just about guarantee the taxpayers that we are going to get these properties back on the tax rolls.

If we don't, we are going to see -- all we are doing is creating more of the problem we have in
the city, which is creating more and more tax exempt
properties in this city.

MR. ISLER: Mr. McCrea.

MR. McCREA: Just a quick question.

Do we have a sense of what this company is
trying to do here in Pittsburgh? Are they trying to
get their foot in the door, are they looking for other
buildings in the area; do we know anything about
that?

MR. WEISS: I don't have any information on
that, Mr. McCrea.

MR. McCREA: I am just thinking, you know,
if they don't get this building, maybe they will look
in Swisshelm Park, or somewhere in Wilkinsburg or
something.

MR. WEISS: Well, I think it is reasonable
to assume that if, for some reason, this sale is not
approved, that there are -- this company will seek
other opportunities to establish a charter.

I don't believe that it is logical to
assume that if they don't get this property, they are
going to go away.

So, that's something else to consider here,
in terms of what the future would hold.

MR. McCREA: Thank you.
MR. ISLER: Mr. Dowd.

MR. DOWD: I am not sure that Attorney Weiss can answer this question, but I am going to try to -- I heard -- I have a concern based on what I heard earlier.

If we were, in fact, to pass this resolution, sell the property to School House Finance, and they were to fail to receive -- you know, they were -- some charter entity, some company entity trying to create a charter were to fail to create a charter, and that school were to sit vacant for three years, do we have any obligation at that point? I want to go back to this concern that Mr. Fellers was raising, do we have any obligations at that time?

MR. WEISS: I think it is our option --

MR. DOWD: Okay.

MR. WEISS: -- under the documents, to exercise our right of reversion.

It is our option, and as a practical matter, with the kind of consideration involved here, $3 million, I think it is unlikely that a knowledgeable buyer would do nothing, in the event the anticipated charter would not come to fruition.

I think it would be reasonable to assume they would seek to recoup their investment somehow.
MR. DOWD: So it is only an option, it is not a requirement or any --

MS. FINK: It is an option.

MR. DOWD: Thank you.

MR. ISLER: Mr. Brentley.

MR. BRENTLEY: Yes, just a couple of questions.

Let's see, first, just a real, simple general question for me: Charter school versus private school. If a buyer wanted to use it for a private school purpose, what would be, if any, our obligations; financial obligation?

MR. WEISS: You mean --

MR. BRENTLEY: If they want to turn it into a private school.

MR. WEISS: We would have no financial obligation, other -- they may have a right to a tax exemption, but that is not our option.

MR. BRENTLEY: Okay.

MR. WEISS: We would have no financial obligation.

MR. BRENTLEY: Okay.

Charter school, based on the five charter schools -- or let's say based on the last three charter schools we had discussion with a couple of
weeks ago, the average cost -- but I know it is
difficult, but just roughly, the average cost per
charter school, just on these three?

MR. WEISS: Depends on the enrollment. I
will defer to Mr. Camarda, who is far more
knowledgeable about that than I am.

MR. CAMARDA: The best way to do a quick
estimate is on the number of students, is where on
averages over $10,000 per student, depending what
their special ed. requirements are, but if you want a
ballpark figure, you know, 200 student school costs us
$2 million for their regular student, then however
many special education students they have, that costs
us another $10,000, almost, per student.

MR. BRENTLEY: Okay.

MR. FELLERS: I think I need to amend that,
to point out that that's for any students that reside
in the School District of Pittsburgh.

Not for any students from outside the
School District.

Also, it is the intent of this charter, at
least at the public meeting I attended for the
District, to start off as a K to 3, and grow the
school, as opposed to start off right away at full
capacity.
MR. BRENTLEY: Okay.

So we clearly know -- and I also attended that meeting as well, I think there were nine or ten speakers, and I believe the majority of them made reference to the use of the building would be for a charter school.

So we do know that that pretty much, based on the speakers that were at the public meeting, that's their intended use for this particular building.

Okay.

Also, what I have noticed, is that you said we have a process in place on how we were going to sell the buildings.

I remember a loose discussion in terms of how we were going to sell the buildings but, I mean, we do have a policy, or a point by point, on what we are going to use to sell the buildings?

MR. FELLERS: Well, the four -- a year ago, these four buildings, which included Regent Square, along with Connelley, South Vo-Tech and Ridge Avenue, were given one set of authority.

Since then, the Board has asked for us to look at a different way to do it, so, the policy, you are going to be seeing actions this month to come
forward with an approach that is internal, where we are not using an outside broker, we are selling purely on an as-is competitive bid.

You are also going to hear later on today, at your Business/Finance Committee meeting, an outside group that is going to propose another way to go about this.

So, you do have in place a set of guidelines for those four schools I mentioned, you have a set of guidelines for the remaining schools, and you are going to hear a proposal for perhaps some consideration to do it yet a different way.

There is no one way to do it.

But, yes, we have been following the guidelines on these four, which was maximize return as quickly as possible, and if possible, not to -- to get a sale that would result in the items being on the tax rolls.

We succeeded in all but the latter point.

MR. BRENTLEY: Okay.

Here is my concern: That we raised a question, that we had some discussion before, and I know that, Ira, you even gave some comments about it, and I know that I raised a question about all of the buildings that we are going to eventually put up for
sale, about finding a way to tie-in a community-based component to the final sale of it.

And at that time it was said that, "Well, it is difficult to do, we don't know if we want to get into that."

And -- but I am looking at this particular proposal, this is almost entirely community-based driven, and so my concern is, down the road, the issue of consistency in selling our buildings.

Here's a building driven by the community, they have placed ownership on the building, "This is what we want, this is how we want it."

And it looks like, the possibility, that it may get exactly what they wanted.

My question is: Is that in that process that you said that we have together, the process is together right now, will it allow the leeway for us to apply this in every sale that's going to be coming before us?

If not, if it's -- well, let me just stop there.

MR. WEISS: Well, Mr. Brentley, if I may say, the School House Finance, LLC is not a community-based organization.

The parent charter company is not a
It so happens that the community is supporting this sale, because the community supports the proposed use. But, this was a market sale. The community had no input into the bidder that we are considering tonight. I mean, the community is supporting it, but these buyers are not community-based organizations. MR. BRENTLEY: Well, I -- you know, we won't argue that point. But I understand what you are saying but, Mr. Weiss, I am sure you would agree with me, that this is rare for a building so large in a particular community, to be put up for sale, public sale, have a buyer, and then have everyone who is lined up behind it, except one, be in total support of this proposed use. Usually, this is when the blood battle exists, you know, it is community versus the developer, and it is the developer versus an entrepreneur. So this is extremely rare. So this is why I am saying it is more than just a community adding an input. This is almost a
community that is in the driver's seat here. We are not even sure what role the community played. Well, my question, Mr. Fellers, you said that we are going to be -- on this agenda this evening, we are scheduled to discuss a process for the sale of the other buildings?

MR. FELLERS: There has been a group that has been put together, that had asked to present to you an alternative approach, that is around a developmental approach that is more community based. So, I think with what you are saying, you may want to listen to what they have to offer, and the Board can consider it or not, at your pleasure.

MR. BRENTLEY: And what's the -- would there be any problem with holding this sale for another month, until we finish this meeting next week?

MR. FELLERS: You don't have -- under the terms of the sale, you need to act, or the sale would be void.

MR. BRENTLEY: And those terms were placed by whom?

MR. FELLERS: By the District, in terms of the time period required.
We have already extended it beyond the legislative meeting in March, to this special legislative meeting.

I believe you are out of time, but Attorney Weiss can correct me if I am wrong.

MR. WEISS: Well, the District is obliged to either accept or reject this bid by, I believe -- I believe it is 45 days from the date of the bid, which is March 1st.

If you don't accept it, you lose it.

I think given the circumstances, my advice to the Board is to consider this bid on its merit.

If the Board chooses to adopt another approach with the remaining buildings that you have to sell, that certainly is the Board's decision.

But, I think I will advise the Board, that it's incumbent upon the Board to make a decision on this bid this evening.

You cannot wait.

MR. BRENTLEY: And the option is simply accepting it or rejecting it?

MR. WEISS: Right.

MR. BRENTLEY: And that's the option.

MR. WEISS: That's the option.

MR. BRENTLEY: And the final, two more
Would the sale of this building, as well as other buildings, is it necessary that we have some type of a conflict of interest document available for employees, as well as Board members, going through these sales, or is there a need for that, or how do you stop special interests within -- if there are some, within employees having relationships with certain companies, or as far as that is concerned, Board members having relationships with certain companies, that may --

MR. WEISS: If there is any information about that, that should be brought forward.

I am not aware of any.

This is an arms length sale.

MR. BRENTLEY: Okay.

But, there -- you see no conflict, or there is no need to put any kind of safety measures in place, that would prevent that?

We are talking about a possibility of 22 buildings, million and millions and millions of dollars in sales, and I am no different from any other Board member, but I have been contacted by organizations on this particular sale, lobbying in support of it, et cetera, et cetera, et cetera.
And you are saying, we -- there is no need for any kind of disclosure, from employees, as well as Board members?

MR. WEISS: Well, we are bound by the state Ethics Act, so if any Board member feels they are conflicted on this vote, they ought to abstain.

MR. FELLERS: As well as the officers of the Board.

MR. WEISS: As well as the officers of the Board.

Certainly, in the future, to give some added comfort, we can develop a conflict of interest statement, but there is nothing that I am aware of, in any bid document, that indicates any involvement in this sale with any employee, Board officer, Board member.

It is simply an arms length sale.

MR. BRENTLEY: Okay.

And my final question is: Mr. Fellers, you mentioned the meeting following this meeting, we will be meeting with the group.

Now, can I mention that name, or can you mention who that group name is, is it okay?

MR. FELLERS: Yes.

This is a group headed up by both A Plus
Schools, Councilman Peduto, that they put together a project to develop a model for disposing of our surplus buildings, that stresses community involvement.

And they are going to be your first presenter on the Business and Finance Committee meeting, that follows this meeting.

MR. BRENTLEY: And I just wanted to say this, and to my colleagues here, we talked about at one time all of the buildings, we were concerned about the politics creeping into the process.

And I believe that this is clearly an example of the politics getting into the process.

I would even encourage, you know, Ira -- I mean to my colleagues here, that if we are going to have a presentation -- and I have concerns with having a presentation by one group, and not other groups.

If we are going to have a presentation by the A Plus organization, well, remember, in a lot of these communities, where these buildings are, may be sold, there are local organizing committees, there are community development organizations that have two, three, five year plans in place, and then we should also open up that process, and meet with them as well.

So I am truly concerned that one of the
things we may -- one of the things that we should consider, is just rejecting this that is before us today, just for the purpose of allowing this Board to put a clear process together, that would be consistent across the entire board in terms of how we will sell property.

MR. ISLER: Mr. Brentley, this is a -- I really do need to ask for a point of clarification, because I am very, very concerned. Are you saying that you feel there is politics in this particular bid tonight?

MR. BRENTLEY: Oh, there is no question about it. Yes, sir.

MR. ISLER: And do you feel that any ethics have been violated?

MR. BRENTLEY: I can't speak to that.

MR. ISLER: Well, I think that you --

MR. BRENTLEY: I can't speak to that.

MR. ISLER: -- should put that out.

I mean, I think that is a point that this Board should know about, if you feel that politics have been involved in this, sir.

MR. BRENTLEY: Well, let me -- let me just say this --

MR. ISLER: I mean, personally, I -- the
bid processes, which we deal with every month, are handled by Mr. Fellers, not by this Board.

And if you feel that there has been politics, then we should know about that.

MR. BRENTLEY: Well, listen, Mr. Isler, I am sure you are well aware of the individuals, and organizations, who have contacted all of the Board members in support of this particular proposal.

I shared the issue, or the situation, earlier with Mr. Fellers on how rare this is, to have a building up for sale, and to have everyone lined up in a row, for a particular project.

Not to mention that it has already been suggested that the intended use of this building is going to be a charter school.

We have -- there are some concerns, concerning the charter school, and I know we can't talk about the financial part of it, but it is -- it is an issue.

In light of the fact that what happened just last week, dealing with the renewal of the three charter schools, which was highly political, and we are finding out each and every day charter school applications as well as the renewal, are highly, highly political, and we cannot deny that.
My concern here is that we are creating a pull out situation for this particular company, this particular school, this particular community, and we will vote and give them what they want, but now we will be meeting later on to talk about putting together a process on how we are going to deal with the other schools.

I am only asking that we -- if it is possible, that we treat them all together, we pull this one out, let's see what the proposal is before us, let's put something together that would cover a process for everyone, and then move forward.

How are we going to handle each sale, Mr. Isler?

That's my question.

MR. ISLER: I -- well, Mr. Fellers, do you want to respond?

MR. FELLERS: I just wanted to remind the Board that they are on the agenda, I had brought it up, Mr. McCrea raised some issues, and then volunteered to poll the Board, and so polling the Board, it was the consensus that we did want to hear from this group, so it was at the Board's pleasure that they are on the agenda.

MR. BRENTLEY: We have to also raise the
fact, Mr. Fellers, too, that -- politics involved with this particular organization. Come on, let's make -- let's be very clear.

MR. ISLER: Mr. Brentley, I want to be clear, very, very clear, that the purpose of this legislative meeting is to discuss this bid, not what's going to happen after.

And given the perception that there is politics, or something wrong with this bid, is an indictment against our staff.

MR. BRENTLEY: Well, listen Mr. Isler, I --

MR. ISLER: I mean, you heard we are governed by the Ethics Commission.

MR. BRENTLEY: Well, I don't particulate your characterization of what you think I am trying to say.

Mr. Isler, I tried to be very, very clear, what I am trying to present here.

Now, we can point fingers at the staff all we want.

All that I am asking for, is an opportunity to create a level of consistency, with the sale of all of the buildings.

I don't -- it shouldn't be too difficult for anyone to understand.
MR. ISLER: Well, then, Mr. Weiss, may I turn this over to you as the solicitor.

Has this been a level playing field in your mind, that we got to this point this evening?

MR. WEISS: This is an open, transparent, sealed bid process.

It was advertised, the Board received three bids, this is the highest bid received, it meets the requirements and the conditions of the bidding documents.

The second bid had two variances in it, one, the bidder did not comply with our requirements to utilize the MBE participant, for title and closing services, and also has a zoning contingency in it.

The third bid, which was less than a third of this bid, was unconditional.

I mean, there is no legal reason for the Board not to consider this bid.

Whether the Board approves it, is the Board's decision.

But, there simply is no legal issue with this bid.

This bid is as per the Board's requirements, as Mr. Fellers said, a year ago, and whatever the Board does in the future, is another
issue.

But this bid is before the Board right now.

MR. FELLERS: I need to point out, that as per all bids, it was opened in the presence of a representative of the school controller's office.

MR. BRENTLEY: Let me also say, too, and I appreciate your response, I never raised the question. That was a concern you made, Bill.

I never made concerns -- thank you -- not about the bidding process, or anything there.

MR. WEISS: Okay.

MR. BRENTLEY: So that's an issue you were concerned about. So that was for you.

MR. TAYLOR: There were concerns by another group, that (inaudible) was concerned about --

MR. ISLER: Mr. Taylor, if you want to be recognized --

MR. TAYLOR: -- (inaudible) they certainly did.

MR. ISLER: Mr. Taylor, you are not recognized.

MR. TAYLOR: Just a clarification.

MR. ISLER: If you want, I will put you on the list.

MR. TAYLOR: Just a clarifications.
MR. ISLER: I will put you on the list. I think it is unfair. Are you finished, Mr. Brentley?

MR. BRENTLEY: Yes.

MR. ISLER: Mr. Sumpter, you are next.

MR. SUMPTER: Mr. Fellers, or whoever can possibly answer this question, do we have some idea of the -- a ballpark figure of what type of taxes would be generated from this building?

MR. FELLERS: Really don't, because we have no idea what kind of appraisal, even with the sale price that we know, the county will ultimately assess it for, and the taxes -- I'm sorry -- what kind of appraisal the county will place on the building, and the taxes we receive are totally a function of that appraisal.

MR. SUMPTER: Okay.

In the language, in the criteria for this particular purchase, how is it worded that the Board is to accept what, the highest responsible bidder, highest feasible bidder, or what is that exact language?

MR. WEISS: The highest responsible bidder meeting the conditions of the bid.

MR. SUMPTER: Okay.
Could you quickly summarize for me, the process that this particular building went through, to arrive at this point in time?

MR. FELLERS: Yes.

We had it evaluated for environmental issues.

We had it appraised.

And as per the meetings I had with the Board, we agreed that we would set the minimum floor bid price at the appraisal price of the building.

Our broker put together a portfolio for the building, sharing any information about the building, if there were deficiencies, because the bid was an as-is bid, so we were obligated to highlight if there were any environmental issues, et cetera.

There were several dates where the building was opened for interested parties to tour, and inspect, inspect the building.

Our broker staff was available throughout this entire period, to answer questions about the sale.

They did contact everyone that had expressed explicit interest to my office about bidding on the project, contrary to a letter the Superintendent received.
The bid date was set for March 1st, the bids were received by 5:00 p.m. on March 1st. They were then opened in front of Mr. Berdnik, myself, and as I said, a representative of the school controller's office.

Since that time, there has been a community meeting, that I attended, to represent the District on the sale, not on the discussion about the charter.

We had our discussion as to whether this item would be on the March agenda, it was determined the Board would want to dispense more time to examine the issue, and we set a special meeting that we are at tonight to vote on it within the 45 day stipulation, as outlined by the solicitor.

MR. SUMPTER: Was there much, much interest expressed on this building, before it was put out to bid, as far as number of entities, and was School House one of those entities?

MR. FELLERS: I don't believe -- I don't believe they were. But there was a fair amount of interest.

We picked these four schools that we initially picked, because we thought that they were marketable buildings, and ones that might go very quickly.
But I don't believe School House Finance was one that sent a letter to me, but I may be mistaken on that.

I know anybody that did notify my office, was contacted by letter around the middle of January, and of course there were public advertisements, so even if people had not expressed a prior interest, if they saw the advertisements, saw the promotional material that was sent out by our representative, that would have attracted additional people as well.

Obviously we wanted the most bidders we could. The more bidders you have, the more likely you are to get a good price.

MR. SUMPTER: Okay.

You say that we had guidelines or criteria for the purchase of this building, or the sale of this building, and we have guidelines for the remaining buildings in place.

How much difference is there in those guidelines, those sets of guidelines, or what is the difference?

MR. FELLERS: Right now, the main difference is that it would be done internally, without the use of an outside real estate broker; that the internal facilities staff would work with an
appraiser, with our own environmental people, and with
a real estate consultant, just so -- not to broker it,
but to give us advice.

We would then do all of the advertisement,
and our solicitor would close, we would sell
everything on an as-is basis, again, outlining all of
the environmental issues that had been identified by
the inspection of each of those buildings.

And we are in the process right now of
inspecting environmentally, and appraising all of the
27 buildings that either are closed, or will be closed
by this -- the end of this June.

MR. SUMPTER: Okay.

So it's somewhat safe to say that we do not
have complete guidelines, criteria, process, policy or
procedures, in place right now, for the sale of
buildings?

MR. FELLERS: Well, within the parameters
of the School Code.

You could have more explicit ones,
certainly, but -- and I guess you are going to hear
some options later on, about how you might proceed
with a different approach.

But we were going again with an approach
that was kind of a plain vanilla approach, let's do
this quickly, let's try to get our properties into
someone's hands, so we are not the landlord of
27 closed school buildings.

        MR. SUMPTER: The reason I say that, is
because I heard guidelines for this sale, new
guidelines for the remaining sales, presentation
coming up later, and yet, we -- which would indicate
that we still could adopt, or create, or don't have in
the sense complete guidelines, or procedures or
policies in place, except for what's stated in the
School Code.

        Is that correct?

        MR. FELLERS: Well, we do. The things I
just said to you, are what is in place.

        What is being proposed, is simply that,
what is being proposed, and the Board can accept it,
reject it or adopt parts of it, if you like.

        As I said before, there are a number of
ways to do this, there is not just one way, and I
think what we are saying is there is a plunge now
approach, which we are advocating, there is a more
developmental approach, which has its merits, too,
which you are going to hear about later.

        MR. SUMPTER: But something more than just
interest being expressed, is that what generates the
sale of buildings, or in this case, these buildings, was it interest?

MR. FELLERS: I think it was interest.

There was a high level of interest in the first four buildings, as well as they were in spots that were deemed to be marketable, where there would be anticipated to be some interest and competition for them.

MR. SUMPTER: Thank you.

MR. ISLER: Mr. Dowd, do you want to be recognized?

MR. DOWD: No, not at this time.

MR. ISLER: Mr. Taylor.

MR. TAYLOR: Did you say, again, Rick, did we -- Mr. Fellers, did we actually vote on the criteria for school closings?

MR. FELLERS: No, sir, I recommended to the Board, and --

MS. COLAIIZZI: School closings, or school sales?

MR. TAYLOR: The process. The process. School sales. School sales.

MR. FELLERS: For these four, we did have a resolution that the Board did vote on, as I say, almost a year ago.
For the change in process, it was a presentation I made to the Board that the Board seemed to imply consensus.

We did not have an official vote of the Board on that one.

MR. TAYLOR: And that resolution, because I am not clear, because I mean, because I am looking at, it seemed like there is a lot of wiggle room here, in how we want to -- I mean that's just my perception on it.

But the resolution, that did lay that out like the principles, we wanted to go back on the tax rolls, did that lay out the process? Because I am not really sure about that.

MR. WEISS: The resolution laid out the use of the broker, the solicitation of sealed bids, and the sale to the highest bidder, without conditions.

That was the resolution of the Board, for these four buildings that Mr. Fellers enumerated.

MR. TAYLOR: And it said sale to the highest bidder, without conditions.

MR. WEISS: Yes.

MR. TAYLOR: Which is one of the things --

MR. ISLER: Excuse me.

For point of reference, can you explain
what "without condition means"?

Because that is the reverse of what I have think most people think.

MR. WEISS: Well, it means there is no condition attached to the use, or the development. It was strictly an as is, where is sale, with a three year reverter option, that Mr. Fellers described. And it was limited to these four buildings.

MR. TAYLOR: So when we talked about it, we actually used that kind of language, if there was someone who was the highest bidder, who wanted to open a strip club in the District would, according to what we passed, vote to sell that to the operator of a nightclub?

MR. WEISS: Well, I am fairly certain we didn't discuss a strip club.

MR. TAYLOR: No, we actually did use that as an example, of saying that we just didn't want it to go to anybody, that we had a responsibility to the neighborhood and the community, and we just didn't want to turn it over to anyone, just because they were the highest bidder.

But you said that was not reflected in the resolution.

MR. WEISS: These four buildings were --
the Board’s action was to sell them in this manner. The Board’s options, with respect to the other ones, are open, and that’s not for this meeting.

MR. FELLERS: You always have the option, and I think this was expressed, in case you got an undesirable bid, you had the option to reject all bids.

MR. WEISS: That is correct.

MR. TAYLOR: Okay.

But I did want to add, there was that group Plea, who did raise some concerns about the process. They didn’t put them in writing to me, as they said they would, but they came to the public hearing, and voiced some concerns to me about some things.

I want to go back to this second group who bid -- and again, the $3 million bid was way above anybody else's, we know it was $2 million above the nearest one, and we know that the assessed property was about 900,000, so we know the $3 million bid is a very large bid, and obviously they wanted that property for a reason, and I would assume there are ways that they are going to recoup that 3 million.

But I want to talk about that second group, who had voiced an interest in, I believe, doing condominiums.
MR. WEISS: Well, the second group did not want to do condominiums. The second group wanted to do apartments.

MR. TAYLOR: Apartment house, right.

MR. WEISS: There is some question whether this community would support rental units.

But, more importantly, there were two conditions in that bid, which did not comply with our bid requirements.

One, there was a zoning contingency in the bid, which is simply contrary to an as is, where is sale and, secondly, the bidder specifically struck out the use of the settlement service company that we are utilizing for MBE purposes, and wanted to use another title company, and in my view, that was a material deviation.

MR. TAYLOR: Okay.

So, that's -- so we had an issue with them, because they weren't in compliance with our MBE program.

But the only --

MR. WEISS: And it was a zoning contingency.

MR. TAYLOR: Okay. So --

MR. WEISS: Which is very important.
MR. TAYLOR: Okay. So the zoning.
We were concerned about turning it from a school into a rental property.

MR. WEISS: Well, what the bid said was, that the bid was subject to a zoning change, and that was contrary to our bid conditions.

MR. TAYLOR: No, I understand, but we know zoning change, particularly for something like that, probably wouldn't be the most difficult, since it is a residential neighborhood, it does have rental property, it probably wouldn't have been the most difficult thing, again, for them to change.
But the point I wanted to make, was there was a second group that bid, and the second group, whose every intention was to put these properties permanently back on the tax rolls, by turning it into rental property.
Right?
They could have switched and sold it to the school the next year.

But --

MR. WEISS: That's correct, you are right.

MR. TAYLOR: So we actually did have a group, that for the foreseeable future, would have put it on the tax rolls.
And we just received a letter from the Regent, I think, Square Civic Association, who is supporting this, but also I think that there were a lot of people who may have been open to different initiatives, around the Regent Square building.

So, no, I will just say finally, I think a lot of people's parents here talked about easy money, and the dangers of easy money, and certainly people have heard me talk very much about, particularly things that we have spent revenue on, in the last few months, that I have raised concerns about.

So $3 million is no joke, but I believe that we are opening ourselves up for tremendous difficulties in the next year.

So I mean, I think that the community people, that came forward, and others came forward, completely in expectation that that building is going to be turned into a charter school, and if anybody is familiar with the Regent Square history, the Regent Square community, and Park Place community's history with the Pittsburgh Public Schools, we would know that to be honest and frank, that that community, significant parts of that community have never attended the Pittsburgh Public Schools.

They have never attended Regent Square.
And they basically pulled out of Regent Square, close to 40 years ago, for reasons I don't want to get into this evening.

But I do think that I have always wondered how many kids were in that area, and exactly where they were, and I think there may be many people in this community who look at this as an opportunity to have a school that they are comfortable attending.

And I am saying now that this Board is in the position -- I mean, I really do think that the community is supportive of this, because they view a school coming there, and if the Board turns around and says, "We are not going to do that," I think that that's going to be a problem and, as Mr. Brentley said, and as we know that it's accurate, that it has been highly political, our granting of charters for the last five or six years, and that's just being honest.

And I think most people, most members of the public, who are aware of it, know that that has been highly political process, since it really began in this city.

So I just think, though we know that this is a group, we know what they want to do in the future, and one of the motions, Ira, I want to be able
to make, if we are allowed to make, that we give this company 60 days, to, let's say, back out of this deal if they want to.

MR. WEISS: The motion is to accept the bid.

MR. TAYLOR: Can I add --

MR. WEISS: There is no other.

MR. ISLER: You can't change it?

MR. WEISS: This is it.

MR. TAYLOR: That is an up or down vote.

MR. TAYLOR: Am I allowed to put on the table, after that vote, a motion to give them up to 60 days to reevaluate their offer?

MR. WEISS: No.

MR. ISLER: That is changing the bid.

MR. TAYLOR: That is not changing the bid, that is withdrawing.

MR. WEISS: The call of the meeting was to consider this bid. That is the only vote that the Board can make tonight.

MR. TAYLOR: At a later date, at the next legislative, can I bring up an item giving this company an opportunity, up to 60 days, to back out of this deal?

Because I really do believe that some kind
of conversations need to be conveyed to this company, and to this community, about whether the likelihood of them, either receiving a charter -- I don't know how those conversations could take place, but I do think, that, we are in for some difficulties, when that charter application is granted I think this Board is going to be in for some difficulties.

MR. WEISS: Well, if the motion is made, I will deal with it at the time.

My own view is, that that simply is not in order, because there is no application before the Board.

This is a real estate transaction.

MR. TAYLOR: I am not saying anything about --

MR. WEISS: And if any Board member wants to make a motion at a later meeting, I will deal with it at that time.

MR. TAYLOR: Okay.

I would like that that motion clearly is just saying again to give this company an opportunity to evaluate the future, and whether it makes sense for them to get into -- whether it makes sense for that company to purchase this property.

And that's all. So maybe I can get a
further clarification.

But again, I am trying to avoid, which
again what I am thinking is going to be a very, very
contentious situation for this Board, on the date that
that charter comes forward.

What mom said about easy money.

MR. ISLER: Are there any other questions?

I do --

MR. ROMANIELLO: Mr. Isler.

MR. ISLER: Yes, hold on, Mr. Romaniello.

Do you want to go, Tom?

Go ahead, Mr. Romaniello.

MR. ROMANIELLO: I would like to just first
of all echo what Mrs. Colaizzi said some time ago,
that this is in no way an endorsement of this turning
into a charter school, and/or any other charter
school, and the bombardment that this Board got from
e-mails, which I guess now e-mails, that they were
sending out, are the new form of form letter, because
they were almost all the same wording, and all the
same fonts, and everything else.

So I just wanted to let those people know,
that that was in no way anything that swayed this
decision.

But I want to remind my fellow Board
members, that we are also storage of the taxpayers' money, and to not agree to this sale, would be to violate that storageship of their money.

Not only is it a better than a good price, but this sale would also mean transfer taxes would be paid, and right now this company is a for profit company, which means they will be paying taxes.

We have no crystal ball that is going to tell us what's going to go on in the future.

So again -- and this money would be used to pay down the debt service, which again would be of a benefit to the taxpayers, who foot the bill for this School District.

So, it would be very irresponsible for us to ignore this money, ignore this chance to sell the building for this amount, and return this money to our debt service, to help the taxpayers.

And I would like to say, that I hope that any future sales of any other buildings, move along with the speed that this one has, because this is what we need to do, is to sell these buildings, to get the money back into this District, for the taxpayers.

Thank you.

MR. ISLER: Thank you.

Mr. Sumpter.
MR. SUMPTER: Mr. Weiss, if you could define the term "responsible," when it talks about "highest responsible bidder," just what that term "responsible" means.

MR. WEISS: Responsibility, means ability to abide by the terms of the contract. And we have no reason to believe that this bidder cannot close, and so, the responsibility is subjective, but we have no basis to believe that this bidder is anything but a find.

MR. SUMPTER: Thank you.

And I guess the only other comment that I have, is that with the back drop of the fact that the folks did express interest in making this into a charter school, that even though the bid is high, the liability, if it were to become a charter school, over time, would still drain the District of resources.

So that is to be taken into consideration also.

Thank you.

MR. ISLER: Mr. Brentley.

MR. BRENTELEY: Yes.

I just -- you mentioned our options are clear, that we can reject.

Do we reject this particular bid, or we can
also -- we have three options, reject this bid by
voting no, or we can reject all bids, or we can vote
this up, that's --

    MR. WEISS: The option is, you either vote
this up, or you reject this bid.

    MR. ISLER: Put your mic on, please.

    MR. WEISS: Sorry.

You either -- the Board can either cast an
affirmative Board for the resolution, a negative vote
essentially is a rejection of the bid, and the hand
money is returned, and this property is -- then we are
back to square one.

    MR. BRENTLEY: Would a rejection of this
bid, mean the same as rejecting of all bids?

    MR. WEISS: Yes.

    MR. BRENTLEY: Okay.

    So the --

    MR. WEISS: I mean, the other bidders have
been informed they are not the high bidder.

    MR. BRENTLEY: Okay.

    MR. WEISS: And, frankly, given the spread
on these bids, there would be no recommendation
forthcoming with respect to the other two.

One is not in compliance with the
conditions, and the other is so far less than this
one, that speaking for myself, I would not recommend the Board accept that.

MR. BRENTLEY: A rejection of all bids, would mean we would have that option of going back, and rebidding.

MR. WEISS: Yes.

MR. BRENTLEY: And those same applicants could apply again?

MR. WEISS: If this resolution is not accepted, then the Board goes back to square one.

MR. BRENTLEY: No participation. Okay. So it is the same.

MR. ISLER: Finished, Mr. Brentley?

Mr. Weiss, I again just want you to verify that everything has been followed, the District, and School Code procedures for this bid process?

MR. WEISS: Everything has been followed.

MR. ISLER: Okay.

The other thing is, is that in terms of the tax status, this is a for profit company. Is there anything we can do with the sale of a building, by putting in an agreement that the building may never be used again as a nonprofit site; I mean, do we have that much authority?

MR. WEISS: I would have some concerns
about using the term "nonprofit." That is very broad, and there is a lot of public policy, and common law, against overly restricting future conveyance of property.

I think there is a legitimate question whether we could write language in the future, concerning future educational use.

There is some history in this District, on another property, which need not be discussed tonight, and I am reviewing that file now.

But I think a restriction on nonprofit use, would be overly broad, and the court would not enforce that.

MR. ISLER: But for now, this is a for tax, a for profit entity; right?

MR. WEISS: Yes.

MR. ISLER: Okay.

And all we are voting on tonight, is the sale of the building, nothing else, everything else is speculation; correct?

MR. WEISS: That's correct.

MR. ISLER: All right.

Thank you.

Any other questions?

Hearing none, could we have a roll call,
please, Mr. Weiss.

MR. WEISS: Mr. Brentley?

MR. BRENTLEY: No.

MR. WEISS: Mrs. Colaizzi?

MS. COLAIZZI: Yes.

MR. WEISS: Mr. Dowd?

MR. DOWD: Yes.

MR. WEISS: Mrs. Fink?

MS. FINK: Yes.

MR. WEISS: Mr. McCrea?

MR. McCREA: I think I am as split as your cabinet, Mr. Roosevelt.

But I will support your recommendation, and vote yes.

MR. WEISS: Mr. Romaniello?

MR. ROMANIELLO: Yes.

MR. WEISS: Mr. Sumpter?

MR. SUMPTER: No.

MR. WEISS: Mr. Taylor?

MR. TAYLOR: No.

MR. WEISS: Mr. Isler?

MR. ISLER: Yes.

MR. WEISS: The motion carries, 6-3.

MR. ISLER: Thank you.

That was the only item on this evening's
agenda; correct, Mr. Weiss?

MR. WEISS: Correct.

MR. ISLER: Do we have a motion to adjourn?

MR. DOWD: So move.

MR. ISLER: Second?

MS. FINK: Second.

MR. ISLER: The meeting is adjourned.

Thank you, Mr. Romaniello.

MR. ROMANIELLO: Thank you.

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(Thereupon, at 7:16 p.m., the Legislative Meeting was concluded.)

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I, Eugene C. Forcier, the undersigned, do hereby certify that the foregoing sixty-two (62) pages are a true and correct transcript of my stenotypy notes taken of the Special Legislative Meeting held in the Pittsburgh Board of Public Education, Administration Building, Board Committee Room, on Tuesday, April 4, 2006.

Eugene C. Forcier, Court Reporter