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TOWN OF BROOKHAVEN
LOCAL DEVELOPMENT CORPORATION

- - - - -x

BOARD MEETING
HELD BY ZOOM VIDEOCONFERENCE

- - - - -x

October 7, 2020
12:06 p.m.

TRANSCRIPT OF PROCEEDINGS

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A P P E A R A N C E S :

MEMBERS :

FREDERICK C. BRAUN, III
MARTIN CALLAHAN
SCOTT MIDDLETON
GARY POLLAKUSKY
ANN-MARIE SCHEIDT
FRANK C. TROTTA

ALSO PRESENT :

LISA M.G. MULLIGAN, CHIEF EXECUTIVE OFFICER
JAMES M. TULLO, DEPUTY DIRECTOR
JOCELYN LINSE, EXECUTIVE ASSISTANT
TERRI ALKON, ADMINISTRATIVE ASSISTANT
ANNETTE EADERESTO, ESQ., AGENCY COUNSEL
WILLIAM F. WEIR, ESQ., NIXON PEABODY
HOWARD R. GROSS, ESQ.,
WEINBERG GROSS & PERGAMENT, LLP

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MR. BRAUN: This is October 7th. It is 12:06. This is the meeting of the Town of Brookhaven Local Development Corporation. Directors that are on the phone, I see Gary Pollakusky, Frank Trotta, Scott Middleton, Martin Callahan and Ann-Marie Scheidt.

Lisa, do you want to announce who's on from the Town?

MS. MULLIGAN: Sure.

This is Lisa Mulligan. I see Jocelyn Linse's on the call, Jim Tullo is on, Annette Eaderesto, Terri Alkon, Howard Gross, Bill Weir and I think Fred got all the board members.

Did we miss anybody?

(No response.)

MS. MULLIGAN: Okay.

MR. BRAUN: I think there was only one item on the agenda and in as much as I've got a conflict, I will zoom out and turn it over to you. Thank you.

MS. MULLIGAN: Thank you.

Fred is recusing himself since he has a conflict. I'm going to wait for Fred to leave

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the meeting.

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MR. BRAUN: We're trying.

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(Fred Braun dropped off.)

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MS. MULLIGAN: Okay.

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So as Fred indicated, there's only one item on the agenda, which Joce sent out this morning, it's a resolution for the Long Island Community Hospital. This is a second amended and restated bond resolution. We held a public hearing this morning, there was no comment.

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Bill, do you want to tell the group --

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MR. WEIR: Sure.

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As they were getting ready to finalize the numbers for the bond deal, the hospital decided they had \$5 million of additional renovations they wanted to do at the hospital campus, so we increased the bond amount. The tax-exempt bonds are now presently estimated to be \$73.5 million, but not to exceed 85 million and the taxable bonds will be presently estimated to be 16.5 million, but not to exceed 20 million and they came up with a list of new capital improvements at the

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campus and that's what was in the amended

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TEFRA hearing that Lisa held this morning

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describing those new projects and the

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additional \$5 million of tax-exempt bonds.

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MR. TROTTA: What are the new projects,

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do we have a description?

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MR. WEIR: There's a whole list of

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them, but it's things like patient rooms, some

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new equipment, IT stuff; you know, it's a lot

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of little things that added up to \$5 million.

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MR. TROTTA: Okay.

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MR. WEIR: Not expanding the building

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or anything like that. All interior

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renovations and capital improvements.

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MR. TROTTA: The total is 73.5; is that

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correct?

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MR. WEIR: The tax-exempt bonds, the

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Series 2020A, are presently estimated to be

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73.5 million, but not to exceed 85 million and

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the taxable B bonds presently estimated to be

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16.5 million, not to exceed 20 million. We

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always put a little cushion in there to cover

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additional costs and stuff.

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MR. TROTTA: Of course.

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So the 73.5 is not to exceed 80; is that correct?

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MR. WEIR: Eighty-five.

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MR. TROTTA: Eighty-five. Okay.

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MR. WEIR: And the Series B taxables are 16.5 million not to exceed 20 million.

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MR. TROTTA: Okay.

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MR. WEIR: So you're looking at a potential bond deal somewhere between 90 million and 105 million.

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MR. TROTTA: The purpose of us doing this is?

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MR. WEIR: To increase the tax-exempt bond amount by five million.

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MR. TROTTA: Okay.

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So if they weren't increasing the tax by five million, we wouldn't be doing it?

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MR. WEIR: No.

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MR. TROTTA: Okay.

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MR. WEIR: It literally -- this came up less than a week and a half ago, so we were able to get this approved and then hopefully we'll be mailing the official statement either -- sometime between the next day or so.

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MR. TROTTA: Okay. And just to reiterate, if a relationship developed between Stony Brook and Long Island Community Hospital, what would the effect be?

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MR. WEIR: There would be no effect on our bonds. The hospital would be leased to SUNY Stony Brook Medical Center and they would operate the hospital, the employees would -- current employees would operate under an employment agreement with SUNY Stony Brook. SUNY Stony Brook would pay the hospital lease payments that would cover the debt service on our bonds and some other costs that SUNY -- that Brookhaven Memorial Hospital still has outstanding, some equipment lease and so forth, pension, liabilities, et cetera.

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That relationship is still under negotiation, so it's approved in our bond documents if they go forward, but there's no guarantee it's going to go forward, you know.

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MR. TROTTA: Yeah. Okay. Seems like a long way to get there, that's why.

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MR. WEIR: I mean, you know, Long Island Community Hospital is the last of the

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independents on Long Island, there's no other independent hospital, so they're kind of being squeezed by all the big systems, you know, so, you know, most of the hospitals are either under Northwell's banner or Catholic Health Services of Long Island's banner.

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SUNY Stony Brook has done affiliations with Southampton Hospital and Eastern Long Island Hospital out in Greenport where they did that same structure, they leased the hospital, the employees come over and work under a contract with Stony Brook, so this is SUNY Stony Brook Medical Center's ability to try to put together a system within the rubric of the state university system.

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The only other truly independent one -- and I'm not sure how independent they are -- is Nassau Community Hospital, which is operated by a public authority that was created on behalf of Nassau County, so, but they're a separate distinction on their own.

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MR. TROTTA: Okay. Thank you, Bill.

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MR. WEIR: You're welcome.

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MS. MULLIGAN: Does anyone have any

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other questions?

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(No response.)

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MS. MULLIGAN: Is there a motion?

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MR. TROTTA: I would like to make that

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motion.

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MS. SCHEIDT: Second.

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MS. MULLIGAN: Thank you, Ann-Marie.

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I'm going to do a roll call.

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Frank?

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MR. TROTTA: Yes.

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MS. MULLIGAN: Gary?

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MR. POLLAKUSKY: Yes.

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MS. MULLIGAN: Scott?

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MR. MIDDLETON: Yes.

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MS. MULLIGAN: Ann-Marie?

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MS. SCHEIDT: Yes.

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MS. MULLIGAN: Marty?

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MR. CALLAHAN: Yes.

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MS. MULLIGAN: All in favor?

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MR. CALLAHAN: Aye.

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MR. MIDDLETON: Aye.

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MR. POLLAKUSKY: Aye.

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MS. SCHEIDT: Aye.

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MR. TROTTA: Aye.

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MS. MULLIGAN: So we don't have any other business, I think, unless there's something else, the only other item is for us to close the meeting.

MR. POLLAKUSKY: So moved.

MR. TROTTA: Second.

MS. SCHEIDT: All in favor?

MR. CALLAHAN: Aye.

MR. MIDDLETON: Aye.

MR. POLLAKUSKY: Aye.

MS. SCHEIDT: Aye.

MR. TROTTA: Aye.

MS. MULLIGAN: Thank you everyone.

(Time noted: 12:13 p.m.)

I, JOANN O'LOUGHLIN, a Notary Public for and within the State of New York, do hereby certify that the above is a correct transcription of my stenographic notes.

JOANN O'LOUGHLIN