The Chair, Mrs. Elizabeth Hancock, called the meeting to order at 5:00 p.m. She welcomed Mr. George Smith in his role as Interim President and welcomed the Cabinet members and college representatives that were present.

The Chair recognized that a quorum of Board members were present.

The minutes of the June 10, 2002 regular Board of Trustees meeting and the minutes of the June 27, 2002 special Board of Trustees meeting were approved as presented.

No requests were submitted.

2. Presidential Search Update
Mr. Bruce Klewer, Vice President of Administrative Services, announced that members of the Board had interviewed three candidates for the presidential search consultant contract.

3. Performing Arts and Conference Center Update

Mr. Mike Crawford, Chair of the Skagit Regional Public Facilities District (PFD), reviewed the PFD’s support for the Performing Arts and Conference Center. He then introduced Ms. Lanie McMullin, a consultant hired by the PFD. Ms. McMullin distributed revenue projection handouts to the Board. She reviewed her proposed operating plan. She stated that she had been very conservative in creating the projected budgets, which include the cost of hiring two employees, a theater manager and a technical director. The budget projection showed a potential loss of over $100,000 for the first year. Ms. McMullin offered ideas on how to cover the shortfall. She suggested that it was possible to increase the county’s hotel/motel taxes by two percent, charging an admission tax on tickets of up to ten percent and using the interest from a one million dollar endowment.

Mr. Takehara asked if there had been discussion with the city or county on the increasing of taxes. Ms. McMullin replied there had been discussions on the admission tax but not on the motel/hotel tax.

Mr. Crawford stated that a committee would be formed to review the need for funds from the endowment and granting of those funds would be subject to committee recommendation.

Mr. Moser stated that he was unaware that the college would be the operating manager. He thought the college would take over 20 years in the future and that the college would only act as a landlord until that time.

Dr. Andersen stated she was aware that the college would be providing custodial and maintenance services for the PACC but was unaware of the $100,000 plus in salaries for the operations of the facility.

Mr. Smith stated there are grants that cannot be applied for until there is a signed ground lease/management agreement. Mr. Klewer, Vice President of Administrative Services, stated that the ground lease section is ready to go, however, the management lease is just now being worked on. Ms. Joan Penney, President of the Skagit Performing Arts Council, stated there are five grant possibilities that are worth approximately $1.5 million dollars, however, they all have deadlines in September.

Mr. Takehara said he feels the biggest issue is the projected operating loss; the college cannot afford to absorb the loss.
The Chair stated that there needs to be more review of the management agreement before it can be considered for approval. She asked Mr. Moser and Mr. Takehara to continue the review process on the management agreement.

Mr. Smith stated that the State Board will also need to approve the ground lease following the Trustee’s approval. Mr. Smith said he will work with the State Board on setting up a date for them to meet.

The PFD plans to review the ground lease/management agreement on July 24.

Mr. Moser stated that he will need to look back at documents regarding the operating of the PACC. He reiterated that he saw the college as a landlord and taking over operation of the PACC in 20 years.

Mr. Crawford stated there has been a long history of wanting a performing arts center in this area. Ms. Penney stated that there is tremendous support from the community for the PACC.

4. 2002-2003 Tenure Recommendations for Probationary Faculty

The Chair stated that the Board had been given information on the 2002-2003 recommendations for probationary faculty. She stated that if any of the Trustees had any questions on the information it would be discussed during Executive Session.

5. Professional/Technical Program Update

Ms. Susan Tinker, Vice President of Educational Services, presented information on the naming changing of two programs, the reinstatement of two degree programs, a new degree program and a new certificate program in the Professional/Technical area.

Ms. Tinker reported that the Seasonal Law Enforcement name will change to Parks Law Enforcement Academy and Environmental Conservation Technology will be changed to Environmental Conservation. She stated that the Park Resources Management Program will be reinstated as will the Administration of Justice Program. Ms. Tinker reported that Paraprofessional ATA will be offered as a new degree. She reported that the option of Medical Billing and Coding Specialist to the primary program of Medical Assistant has been approved by the State Board at 58 credits, 693 clock hours.

The Chair stated that she was not aware that the Administration of Justice Program had been placed on inactive status. She said that in the future the Board
would like to be notified about a program’s inactive status before it is announced publicly.

VI. ACTION ITEMS:

1. 2002-2003 Services and Activities Fee Budget

Mr. Alan Muia, Director of Student and Auxiliary Services, presented an overview of the process associated with the formation of the 2002-2003 Services and Activities Fee Budget.

Discussion followed.

It was moved by Mr. Mel Takehara and seconded by Dr. Barbara Andersen to approve the 2002-2003 Services and Activities Fee Budget as presented.

MOTION PASSED UNANIMOUSLY.

2. Resolution 02-06, Performing Arts Center Support Declaration

Mr. George Smith asked Mr. Bruce Vilders, Executive Director of the Foundation, to provide background information for this resolution.

Mr. Vilders stated that the Summer’s property was recently sold for the amount of $320,000. He stated that at the last Foundation Board meeting it was unanimously agreed to allocate up to $300,000 of that money for the Hodson Hall renovation project.

Mr. Vilders reported that the Foundation Board has asked for assurance from the College that upon completion of the Hodson Hall matching requirement, the College will support the Performing Arts Center capital campaign and will not begin another major fundraising campaign until the Performing Arts Center capital campaign is completed.

Discussion followed.

It was moved by Dr. Barbara Andersen and seconded by Mr. Tom Moser to approve Resolution 02-06 in Support of the Performing Arts Center.

MOTION PASSED UNANIMOUSLY.

The Chair stated that, on behalf of the Board, she had drafted a letter to the Foundation Board thanking them for their support of the Hodson Hall project.

3. Institutional Diversity Policy
Dr. Barbara Andersen read the proposed Board policy on Institutional Diversity. She stated that most institutions have a policy on diversity and the Board felt it important to add one to their policies.

It was moved by Mr. Mel Takehara and seconded by Mr. Tom Moser to approve Board Policy E-6, Institutional Diversity, as presented.

MOTION PASSED UNANIMOUSLY.

VII. COLLEGE ASSOCIATION REPORTS

1. ASSVC Report

Mr. Ray Acocella, President of ASSVC, reported that he has been meeting with the outgoing services and activities fee budget committee. He stated that those meetings had been going well.

Mr. Acocella reported that he recently attended a leadership training conference with Mr. Alan Muia and the ASSVC Treasurer. He stated that ASSVC has been working on the parking issue and hopes to come before the Board with a plan during fall quarter.

2. WPEA Report

Mr. Geoff MacCombe, President of WPEA, reported that Ms. Carolyn Batchelor will replace Mr. Mike Merrill as Vice President of WPEA and Ms. Jill Shinn will take over the Legislative Representative position.

Mr. MacCombe stated that he was pleased with the minimal budget impact on classified staff.

3. 2002-2003 Operating Budget Update

Mr. Klewer stated that since this is the first month of the new fiscal year and the books were just being closed on the 2001-2002 fiscal year he could not give much of an update. He stated that at the next Board meeting he will present a review of the 2001-2002 budget.

Mr. Klewer reviewed the ranking of capital requests for the State Board for Community and Technical Colleges. He stated that SVC’s request for $5.3 million for the science facilities replacement is ranked 44, just below the line for funding. Mr. Klewer stated that this was a preliminary ranking and it is possible that it could change. He stated that we did receive our Workforce training allocation request of $1.1 million.
4. Board of Trustees

The Chair stated that the final design presentation of the performing arts center will be made on July 17. She would like to Trustees to attend the presentation.

Dr. Barbara Andersen read a letter from Mr. Joseph Kinnebrew, a local artist, who recently offered to facilitate a donation of a fountain sculpture to SVC. In the letter, dated May 14, 2002 and addressed to Dr. Ledesma-Reese, Mr. Kinnebrew stated he wished to withdraw his offer to facilitate the fountain donation. He said that he had learned of events that occurred at the May 13 Board meeting and did not want to be part of a contentious environment.

The Chair asked Ms. Lisa Radeleff if Dr. Ledesma-Reese had responded to the letter. Ms. Radeleff replied that a response to the letter had not been sent.

Mr. Moser stated that the issues raised at the May 13 Board were not about the fountain sculpture or Mr. Kinnebrew but about the process used to obtain the sculpture.

VIII. NEXT MEETING:

Monday, September 9, 2002, 5:00 p.m. – Board Room, Mount Vernon Campus

IX. EXECUTIVE SESSION:

The Chair stated that the Trustees would need to adjourn to Executive Session to discuss personnel issues. They would adjourn for approximately 20 minutes.

CONVENED INTO EXECUTIVE SESSION AT 6:45 P.M.
RECONVENED INTO OPEN SESSION AT 7:36 P.M.

X. ACTION ITEM:

1. Presidential Search Consultant Contract

After discussion about the draft presidential search consultant contract between SVC and Gold Hill and Associates, the contract was approved as presented by Mr. Klewer.

It was moved by Mr. Mel Takehara and seconded by Mr. Tom Moser to approve the presidential search consultant contract between SVC and Gold Hill and Associates.

MOTION PASSED UNANIMOUSLY.
It was also agreed that an appropriate time to schedule a teleconference between Gold Hill and the Trustees would likely be July 30, 2002 at 10:00 a.m. The purpose of such a teleconference would be to obtain guidance from Gold Hill as to preliminary matters, including a possible timeline and formation of a Presidential Search Advisory Committee.

There was discussion as to the need for further work on the drafting of a Management Agreement for the Performing Arts Center between the College, the Skagit Regional Public Facilities District (PFD) and the Skagit Community Foundation.

The Trustees were concerned about the College's financial ability to manage and operate the Performing Arts Center on a deficit basis. It was agreed that Mr. Takehara and Mr. Moser would consult with counsel and SVC administrators to formulate an agreement more acceptable to the College. The Trustees all indicated a desire to be kept appraised of developments in this regard and agreed that a Management Agreement should not be executed without further Board discussion at a special board meeting to be scheduled hopefully prior to the July 24 date for the next PFD Board meeting.

Pursuant to a request by Mr. Smith, Mr. Takehara volunteered to serve as a liaison with the SVC Foundation Board.

XI. ADJOURNMENT:

There being no further business this meeting was adjourned at 8:30 p.m.

_________________________  __________________________
Elizabeth Hancock, Chair   George Smith, Interim President
Executive Secretary to the Board  Executive Secretary to the Board
Lisa Radeleff, Secretary to the President  Lisa Radeleff, Secretary to the President