MINUTES OF THE BOARD OF TRUSTEES SPECIAL MEETING
COMMUNITY COLLEGE DISTRICT NO. 4
SKAGIT VALLEY COLLEGE
MONDAY, OCTOBER 3, 2005
3:30 p.m. – Board Room
2405 E. College Way
Mount Vernon, WA  98273

BOARD MEMBERS IN ATTENDANCE:
Mr. Mel Takehara, Chair
Ms. Debra Lisser
Mr. Jess del Bosque
Ms. Margaret Rojas
Dr. Gary Tollefson, President & Executive Secretary to the Board

ADMINISTRATIVE SUPPORT:
Ms. Lisa Radeleff, Administrative Assistant/Executive Secretary to the President

I. CALL TO ORDER:
The Chair, Mr. Mel Takehara, called the meeting to order at 3:37 p.m.

II. DECLARATION OF A QUORUM:
The Chair recognized that a quorum of Board members were present.

III. STUDY SESSION:
1. Campus Center Renovation

Dr. Tollefson stated that this meeting was being held to provide further discussion opportunity regarding the renovation and funding of the Campus Center Building on the Mount Vernon Campus.

Dr. Tollefson introduced the architect for the Campus Center renovation project, Mr. Lowell Larson with the Henry Klein Partnership.

As presented at the September 13, 2005 Board study session, Mr. Larson again displayed renderings and provided detailed information on the renovation plans for the building and identified the changes that will occur in each of the affected areas. The square footage of the building after renovation will be approximately 42,067 and the estimate on the Maximum Allowable Construction Costs “MACC” is just over $4.4 million, approximately $106 per square foot. With taxes and other fees the total price is approximately $6.4 million. Discussion followed the presentation.

Dr. Tollefson stated that the next step was to discuss funding the project since the estimate for the total cost of the building exceeds the funds identified for the project. He asked Mr. Harker to talk about the financing and the proposal to use some of the unrestricted reserves.

Mr. Harker stated that the college has identified funding of just under $5.2 million of the total cost. This funding includes: $3.2 million Certificate of Participation (COP), approximately $450,000 from the sale of the property at Big Lake, approximately
$700,000 from student designated funds, state funding of $605,500 for the kitchen and Culinary Arts instruction area, and $200,000 from other funds.

Mr. Harker reported that the college has reserves in three categories: unrestricted reserves of a little over $2.4 million, Board designated reserves of approximately $1.4 million, and a revenue reserve, generated from local funds, of just under $2 million, for a reserve total of just under $5.9 million. Mr. Harker recommended using $1.3 million from the unrestricted reserves.

Dr. Tollefson stated that one of the Board members was concerned that if the $1.3 million was used would it jeopardize the college’s ability to purchase land east of the Mount Vernon Campus if it became available. While discussions have been held with all of the property owners east of the college, none of the property is available at this time. If land were to become available there would be adequate reserves to make the purchase.

Mr. Harker reported that the Board’s designated reserve is approximately 6.8% of the operating budget. Dr. Tollefson stated that the Board has been diligent in their fiduciary responsibility to ensure that there is enough in reserves to work with any type of emergency situation.

The Chair asked if people were aware of how the funding for this building is different than other buildings. Dr. Tollefson responded that most requests go through the capital request procedure for funding. He stated that for a student center building it is nearly impossible to get state funding and that there are several other student center buildings under construction around the state and they are being funded in a similar way, through COPs and other sources.

One of the choices is to reduce the size and scope of the project. However, if the project is scaled back it is not likely that the uncompleted balance of the project would be completed anytime soon.

The Chair asked if there were questions from the audience on this or related issues.

Mr. Andy Friedlander asked the timeline for the Board’s decision. The Chair stated that the Board will consider it at the next regular Board meeting on October 11.

Mr. Friedlander stated that this is a complex project, and that considering the use of reserves as strategic plans are being made seems premature. Mr. Friedlander said he has talked to Dr. Tollefson about some issues around the completion of Hodson Hall and just wants to ensure that the project is not forgotten.

Mr. Muia stated that as a resident of the Campus Center Building and an administrator who works with students—the current layout of the building does not work and this project is past due. He said that students will benefit from the renovation; it is a much needed project and appreciates the Board’s consideration and the work of all involved.

Ms. Lisser asked if students have been involved in the process. Mr. Muia responded that students have been involved from the beginning—they assessed themselves a building fee of $1.50 per credit (up to ten credits) six years ago and that fund is currently at approximately $600,000. He said there is significant commitment by the
students to this project and they have approved use of the building fee funds along with the student fund balance reserve, a portion of the bookstore reserve and the Mount Vernon portion of the revenue of the property at Big Lake.

Dr. Tollefson stated that he spoke with the ASSVC President shortly after she saw the design plans for the building and she said that students were responding positively to the project. Mr. Muia reported that there is a comment box for feedback and that comments have been positive. He said that students have also been involved in the design process.

Ms. Tinker stated that 33 years ago she saw a plan to remodel the building—the project is way overdue. Some remodels and additions have been done over the years but only when the students put their money forward did it make the project possible.

Ms. Payant stated that the building currently has limited use and commented on the crowded registration area.

Dr. Tollefson stated that use of the reserve funds will be an action item at the October 11 Board meeting and that if any of the Trustees have questions or concerns to please contact him.

IV. ADJOURNMENT:

There being no further business, the study session was adjourned at 4:40 p.m.

Mel Takehara, Chair
Gary Tollefson, President
Executive Secretary to the Board
Lisa Radeleff, Secretary to the President