

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
February 27, 2008
San Mateo, CA**

The meeting was called to order at 6:08 p.m.

Board Members Present: President Holober, Vice President-Clerk Schwarz, Trustees Hausman, Mandelkern, and Miljanich, and Student Trustee Young

Others Present: Chancellor Galatolo, Executive Vice Chancellor Keller, Skyline College Vice President Stanback-Stroud, College of San Mateo President Claire, and Cañada College President Mohr

Pledge of Allegiance

DISCUSSION OF THE ORDER OF THE AGENDA

In order to accommodate Auditor Terri Montgomery, it was requested that items 08-2-100B and 08-2-101B be considered after "Presentations to the Board by Persons or Delegations." There were no objections.

MINUTES

It was moved by Trustee Hausman and seconded by Vice President Schwarz to approve the minutes of the Regular Meeting of the Board of January 23, 2008. The motion carried, all members voting "Aye."

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the minutes of the Board Retreat of February 9, 2008. The motion carried, all members voting "Aye."

PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS

Presentation of Safety Award by Keenan & Associates (08-2-7C)

Rick McHale of Keenan & Associates presented the award as manager of the Statewide Educational Wrap Up Program (SEWUP) under the Joint Powers Authority (JPA), to which the District belongs. The JPA identifies people and organizations that go the extra mile to foster safety. The District is being acknowledged for the Cañada Library and Learning Resource Center (Building 9) project. Mr. McHale presented plaques to Dan Sims for Amoroso Construction; Peter Hemple for Swinerton Management and Consulting; and Board President Richard Holober for the District.

Update on the District Bookstores Textbook Rental Program: Two Years of Growth (08-2-8C)

Director of Auxiliary Services Tom Bauer said the textbook rental program has experienced tremendous growth since he reported to the Board two years ago. It affords substantial savings to students, and those students receiving financial aid have first access to the program. The program receives financial assistance from District employees through payroll deduction; the Foundation; and large Bookstore and District vendors. Mr. Bauer has been invited to speak about the program in many venues around the country, and was asked to provide information for a Congressional hearing in February. Currently, all textbooks for the Middle College at Cañada are rented. The program may be expanded to include EOPS and concurrent enrollment students.

Mr. Bauer also reported tremendous growth of Apple computer sales since 2006 when, in collaboration with ITS, all sales have been run through the District bookstores. ITS is using its share of funds from the program for computer recycling.

Mr. Bauer said students in Professor Ken Fehrman's interior design program have redecorated the Cañada bookstore with artwork and other decorations, and he showed pictures of some of the redecorated areas.

Vice President Schwarz asked if most of the textbook rentals occur at Cañada. Mr. Bauer said they do, partly because the program started at Cañada and also because there is enthusiasm on the part of faculty. Vice President

Schwarz asked if Apple sales occur only at the Skyline bookstore. Mr. Bauer said all of the bookstores are involved, but all orders are run through Skyline because Bookstore Manager Kevin Chak knows the most about Apple products.

Trustee Mandelkern commended bookstore staff for their support of troops in Iraq. He also said that he visited the Skyline bookstore and found it to look inviting and well-merchandized.

Trustee Hausman suggested that the textbook rental program be presented to college trustee organizations on a national level. Trustee Miljanich said that Board members can contact representatives of ACCT whom they know. Vice President Schwarz added that trustees are sent forms asking for presentation ideas, and the Board should watch for this to come.

NEW BUSINESS

RECEIPT AND ACCEPTANCE OF THE 2006-07 KCSM AUDIT REPORT (08-2-100B)

It was moved by Trustee Mandelkern and seconded by Trustee Hausman to accept the audit report.

Auditor Terri Montgomery presented reports on KCSM-FM and KCSM-TV. The audit of KCSM-FM found that the financial statements present fairly the financial position of the station as of June 30, 2007. Total operating revenues were \$1,743,153 and total operating expenses were \$1,709,906.

The audit found that the financial statements also present fairly the financial position of KCSM-TV. Total operating revenues were \$4,214,831 and total operating expenses were \$5,014,452, reflecting an operating loss of approximately \$800,000. The District contributed \$2,400,000 to the support of the station. Trustee Mandelkern asked why that amount was transferred from the District when the loss was a smaller amount. Auditor Montgomery said that funds are moved approximately every three years and the transfer amount was to clean up the books from a cash overdraft that had built up from prior years. Trustee Mandelkern asked if the \$800,000 loss has been increasing or decreasing over time. KCSM General Manager Marilyn Lawrence said the amount is not consistent from year to year.

Trustee Mandelkern asked if the statements of net value for KCSM-FM and KCSM-TV include the value of the license. Chancellor Galatolo said the license is an intangible asset and can be reflected in the books; however, there is discussion about whether the District has entitlement to that asset since it is a public airwave. Trustee Mandelkern said that while the District does not have ownership, there is some inherent value as seen in mergers between other public stations, and his concern is that the value could be impacted if the license is not in renewal status. Ms. Montgomery pointed out that U.S. accounting rules require reporting the amount that was paid for an item rather than its current worth.

After this discussion, the motion to accept the audit report carried, all members voting "Aye."

RECEIPT AND ACCEPTANCE OF THE 2006-07 GENERAL OBLIGATION BOND FINANCIAL AND PERFORMANCE AUDITS (08-02-101B)

It was moved by Trustee Mandelkern and seconded by Vice President Schwarz to accept the audits.

Auditor Montgomery presented financial and performance reports for the 2001 election and the 2005 election. She said the performance reports are more significant because they examine expenditures to make sure they comply with bond language.

The end-of-year (June 30, 2007) fund balance in the bond fund 2001 election was \$24,082,706; activity in this fund is winding down. The performance report states that review of the expenditures did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the bonds as approved by the voters.

There is substantially more money in the bond fund 2005 election, with an end-of-year fund balance of \$432,268,179. There have not been many expenditures to date and the balance will carry over to next year. The performance report again found that there were no items that did not comply with the purpose of the bonds.

Chancellor Galatolo asked how the audits tie in with the Bond Oversight Committee. Ms. Montgomery said the audit reports go to the Oversight Committee before being presented to the Board and the Committee then drafts its Annual Report to the Public. Vice President Schwarz asked if the audit is always completed before the Committee produces its annual report. Ms. Montgomery replied that it is not a requirement that the audit be done first, but it is traditional to do so.

President Holober asked if it is legal to refinance the bonds and if it would be beneficial to do so. Chancellor Galatolo said full advance refunding could potentially generate incredible savings. However, County Treasurer Lee Buffington argues that any funds realized would have to be returned to the taxpayers. This is a delicate issue with no case law and no indication on what the ruling might be. The underwriter, John Sheldon, is carefully watching the market; since the District got very good rates initially, he has not recommended refinancing. Chancellor Galatolo will advise the Board if such a recommendation is made.

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

College of San Mateo Associated Students President Matthew Kaidor reported that the programs and services group is working with Associated Students at Skyline and Cañada to sponsor a casino night on a yacht. He also reported that CSM students have been involved in discussions about the new campus building.

Chancellor Galatolo announced that District Academic Senate President Patty Dilko is absent due to illness.

Vice President Stanback-Stroud highlighted portions of the written President's Report from Skyline College.

Adding to his written report, President Claire provided an update on the fight that occurred on campus on February 26. The injured student was treated and released from the hospital. An investigation is ongoing and President Claire is awaiting the police report. President Claire also reported that he accompanied KCSM General Manager Marilyn Lawrence to Washington, D.C. for the annual PBS Conference. President Claire said he would forward to the Board the meeting dates of the Scholarship of Teaching and Learning.

Adding to his written report, President Mohr distributed a brochure entitled "Cañada Connection Summer Program," listing concurrent enrollment classes to be offered. He also distributed the book, "Minding the Gap: Why Integrating High School with College Makes Sense and How to Do It." President Mohr announced the death of Pamela Ward-Smith. He offered condolences to her family and colleagues and noted that she will be missed by all students whose lives she touched as a gifted and dedicated counselor. Chancellor Galatolo suggested, and the Board agreed, that tonight's meeting be adjourned in her honor.

Executive Vice Chancellor Keller said the award presented earlier tonight by Keenan & Associates shows that District staff embraces innovation. He said the Owner Controlled Insurance Program (OCIP) started out quite small with coverage for the faculty housing project, at a premium of approximately \$300,000. The premium for the Learning Center at Cañada was about \$800,000. The premium for the next round of CIP projects will be \$7-8 million; it will be for the entire program with uniform coverage with all of the vendors, and will give the District direct access to monitor and control the safety of the projects.

Returning to President Claire's discussion of the fighting incident, President Holober emphasized the importance of a zero tolerance policy on violence and stressed that anyone violating that policy should be removed. He asked what disciplinary action will be taken. Vice President Jennifer Hughes said it was difficult to determine who was involved; names have now been put forward and interviews with those named and with witnesses will begin tomorrow. Student Trustee Young said she heard that some students stood by and watched without calling for help and she believes these students bear some responsibility. President Claire said there is a need for dialogue throughout the campus community regarding conduct and civility. President Hausman said the incident is

reflective of a lack of civility in society as a whole. Chancellor concluded by saying that President Holober's statement on zero tolerance is duly noted by staff.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

None

NEW BUSINESS, CONTINUED

APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (08-2-1A)

It was moved by Vice President Schwarz and seconded by Trustee Hausman to approve the actions in Board Report No. 08-2-1A. The motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 08-1 OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES (08-2-102B)

It was moved by Vice President Schwarz and seconded by Trustee Miljanich to approve adoption of Resolution No. 08-1. Student Trustee Young asked what drawbacks are associated with issuing the notes. Chancellor Galatolo said it is a positive tool used by the District to (1) generate legal arbitrage by issuing the notes and reinvesting the funds and earning interest, and (2) use for cash flow purposes, for instance when the State budget is not passed on time. Executive Vice Chancellor Keller added that it is a short-term instrument that must be repaid within 13 months, and that the District uses the funds before local property taxes are collected. After this discussion, the motion carried, all members voting "Aye."

APPROVAL OF PURCHASE OF FIELD CAMERAS AND ACCESSORIES FOR KCSM (08-2-103B)

It was moved by Trustee Hausman and seconded by Trustee Mandelkern to approve the purchase as described in the report. The motion carried, all members voting "Aye."

2007-08 MID-YEAR BUDGET REPORT (08-2-104B)

It was moved by Trustee Miljanich and seconded by Student Trustee Young to approve budgetary transfers and income adjustments for the period ending December 31, 2007, as outlined in the Budget Report. The motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 08-2 OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING USE OF DESIGN-BUILD PROJECT DELIVERY METHOD – CAÑADA COLLEGE GATEWAYS PROJECT (08-2-105B)

It was moved by Trustee Mandelkern and seconded by Trustee Miljanich to approve adoption of Resolution No. 08-2.

Linda daSilva, Executive Director, Construction Planning, said the project focuses on exterior areas and she showed pictures of what the changes and additions will look like from different vantage points. Trustee Miljanich said that meeting locations are often identified by building number only and asked if the new signage will include building numbers. Trustee Hausman and President Holober agreed, with President Holober saying signs should list both building numbers and descriptive names. Cañada Vice President Phyllis Lucas-Woods confirmed that both will be included.

Ms. daSilva said that with passage of California Senate Bill 614, the District is able to use the Design-Build delivery method for this project. The total project cost as outlined in the proposal is not affordable and the District will use a Design-Assist approach to lower cost and bring the best value. For instance, the two water features may be removed or redesigned.

Trustee Mandelkern asked if the proposed faculty/staff housing project was accommodated in the plans. Ms. daSilva said it was, and she has been working closely on this with Barbara Christensen.

President Holober noted that in the past, there was a goal of having three competing design-build teams and asked if it is anticipated that the goal will be reached with this project. Ms. daSilva said that starting very early on, the District conducted more extensive outreach and simplified the application process. She also said that this project is shorter and less complex than the last two and will probably be more attractive to contractors. Vice Chancellor Nuñez said seven firms have shown interest and there might be more, but there is no way to tell until submittals are in.

Student Trustee Young asked if there will be call boxes in the parking lots. Ms. daSilva said this is not in the plans at this time. Blue phones will be tested at each College but will be closer to the center of the campuses. As they are moved further out, it becomes much more expensive. Chancellor Galatolo pointed out that most students have cell phones and can get to them faster than they would to blue phones. Therefore, effective surveillance may be a more effective way to provide security. Ms. daSilva said that surveillance cameras, motion sensors and audible detectors are all included in the plans. Trustee Miljanich asked if the surveillance cameras are monitored; Vice Chancellor Nuñez said that they are monitored, but not 24 hours a day.

After this discussion, the motion to approve adoption of the Resolution carried, all members voting “Aye.”

APPROVAL OF CONSTRUCTION CONSULTANTS (08-2-106B)

It was moved by Trustee Mandelkern and seconded by Vice President Schwarz to approve the construction consultants as described in the report. The motion carried, all members voting “Aye.”

APPROVAL OF CONTRACT AWARD FOR SKYLINE COLLEGE CIP2 DESIGN-BUILD PROJECT (08-2-107B)

It was moved by Trustee Mandelkern and seconded by Trustee Hausman to approve the contract award as described in the report.

Trustee Mandelkern asked for an update on costs. Ms. daSilva said that the District, Skyline administration and Hensel Phelps have worked collaboratively and brought the cost from \$77 million to the low \$60’s. There will still be two new buildings but some items, such as the water fountains, have been removed. Trustee Mandelkern asked what other items were cut out. Vice President Stanback-Stroud said the PE/Athletics/Dance Division asked to consider reprogramming of Building 3; they will stay in that building and consider moving in the future if possible. Chancellor Galatolo said costs for the new transmission facility were cut by half while still assuring a functional building that will accommodate student learning. Landscaping plans were also scaled back.

Vice President Schwarz noted that the Board Report says Hensel Phelps’ proposal describes how it will meet the Board’s goal to engage students enrolled in the skilled trades preparation (pre-apprenticeship) program. She asked how this request was received by Hensel Phelps. Ms. daSilva said this has been part of the District’s requirements since 2006 and prequalification is based on this along with other requirements. She said that, in response, proposals have come in with creative ways to enhance learning. Chancellor Galatolo added that the District is having more informal conversations with presidents of the firms regarding achievement of this goal. Vice President Schwarz said she would like further feedback on this issue.

President Holober noted that the Board Report also states that Hensel Phelps’ proposal describes how they will meet the Board’s goal to maximize opportunities for local, small and emerging businesses. He asked if Hensel Phelps listed subcontractors in the submission and, if so, what the mix is. He also asked if this requirement was included in the College of San Mateo project. President Holober would like to have a report on this topic. Ms. daSilva said the contractors bring on architects, civil and structural engineers, and Design-Build subcontractors. These have not included small firms because of the magnitude of the projects. McCarthy Builders and Hensel Phelps have made commitments to conduct outreach and encourage small and local firms for the skilled trades jobs. Ms. daSilva suggested that the contractors present a report to the Board.

After this discussion, the motion to approve the contract award passed, all members voting “Aye.”

APPROVAL TO EXECUTE AN AGREEMENT WITH MANAGEMENT & POLICE CONSULTING, LLC FOR ORGANIZATIONAL ASSESSMENT OF SECURITY OPERATIONS – DISTRICTWIDE (08-2-108B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the agreement as described in the report. Vice President Schwarz asked how the agreement will be funded; Vice Chancellor Nuñez said local District resources will be used rather than bond funds. Vice President Schwarz noted the report states the Colleges' security operations currently operate independently from one another, and asked if there will be an attempt to unify operations. Vice Chancellor Nuñez confirmed this to be the case and said that by centralizing operations, the District can minimize cost and distribute resources across the three campuses. Trustee Mandelkern noted that video surveillance is not included in the deliverables listed in the report; Vice Chancellor Nuñez said it is included in the comprehensive contract. Trustee Mandelkern asked about an emergency messaging system. Vice Chancellor Nuñez said ITS has been working on this and will be discussing it in conjunction with both the new agreement and the existing agreement with T-Com. He added that a text messaging system is in place currently and messages will be sent if there is a major incident. President Holober said the study proposed in the report provides an opportunity to examine staffing levels at other colleges and districts. He said safety is paramount and he would like to keep open the option of having *sworn peace officers* on the campuses. Chancellor Galatolo agreed, saying the purpose of this agreement is to explore options and come back to the Board with the results. After this discussion, the motion carried, all members voting "Aye."

INFORMATION REPORTS

DISCUSSION OF ACCREDITATION REPORTS (08-2-9C)

Chancellor Galatolo noted that Skyline President Vicki Morrow provided insight into the accreditation action with the summary previously distributed to the Board; a copy is attached. Of particular interest is the statement that "There are many more cases of 'sanctions' than in previous years."

President Mohr said that when the visiting accreditation team met with faculty and staff, there was no indication that there would be a warning and, in fact, the visiting team was surprised by the action of the Accrediting Commission. President Mohr said faculty and staff are fully committed to rectifying problems in the three areas cited by the Commission:

1. Build upon strategic planning efforts to develop an Educational Master Plan. The Commission noted that that this issue was also identified by the 2001 evaluation team.

President Mohr said he began work on strategic planning when he first came to Cañada and that process was ongoing at the same time as the self-study. However, lack of adequate time and expertise prevented the capability to put all of the pieces together into a comprehensive Educational Master Plan. Cañada has hired an outside consultant, Maas Companies, Inc., to assist in the writing of the Educational Master Plan.

2. Development of Student Learning Outcomes (SLOs).

President Mohr said the Commission felt Cañada was not at the level wanted by the Western Association of Schools and Colleges (WASC) in this area. There will be two all-day meetings at which faculty and staff can come on a voluntary basis to discourse and write SLOs. President Mohr believes most of the work can be accomplished during that time. A committee composed of three faculty and members of the Academic Senate will then finish writing SLOs for all courses.

3. Development of a staffing plan for all student support services.

President Mohr said the hours of time students are being served is low, including library and learning center hours and the ratio of counselors to students. This area will be easier to correct but will require finding additional funds.

President Mohr said that the Academic Senate and all shared governance bodies have read the report carefully and want to work together to complete all of the work by the end of the summer. President Mohr is trying to reach the President of WASC to ask if they are willing to send a team back and remove the warning if all items are satisfactorily remedied by that time.

President Claire said the College of San Mateo Academic Senate is completely on board to work together to correct the issues cited by the Commission. External support is needed and it is likely that Maas Companies, Inc. will be retained. Internally, an Accreditation Oversight Committee has been established to make sure the accreditation response is sufficient. This Committee will remain in place during the entire accreditation cycle. A Research, Planning and Development Group has been formed to tie research to planning efforts and provide administrative support to the various planning efforts. President Claire distributed a handout listing Commission recommendations and outlining the College's progress to date on each recommendation; a copy is attached. President Claire said there is a need to move quickly; the first progress report is due by October 2008 and much of the work must be done by May 2008 before faculty leave. President Claire is confident that the work will be done on time.

Vice President Schwarz said she was shocked to see the warnings because of the amount of work done on the self-studies. She is reassured by the attitudes of the Presidents, faculty and staff of Cañada and College of San Mateo.

Trustee Mandelkern said he has no doubts that faculty and staff of the Colleges can handle the situation. He believes it is a good idea to bring in outside help; he asked if Maas Companies, Inc. understands the process and has a track record of good outcomes. President Mohr said this consultant has written 83 educational master plans and is well-known in the educational community.

Trustee Hausman said there appeared to be some changes in standards by the Commission and that it seems counterproductive to place so many community colleges on warning. She commended Presidents Mohr and Claire for their commitment to stay on course and complete the necessary work.

President Holoher said the Colleges do a great job of educating their students. He noted that there is no due process opportunity to respond to the Commission's findings. He has no doubt that both Colleges will rise to the occasion and complete the work on time. President Holoher said the Board also was subject to criticism and the issues must be addressed; for example, the rules and regulations need to be regularly evaluated and revised if needed.

Regarding an outside consultant to write the master plans, President Holoher said there is a need to hire someone who knows what the Commission wants as well as being able to write the plan. President Mohr said he intends to consult with the Commission president about what a master plan should look like, and he wants to stay connected to WASC to make clear the College is doing its best to follow their rules. Trustee Mandelkern underscored the importance of hiring a consultant who can put the pieces together in a way the Commission wants. He suggested asking other colleges which have been in the same situation if they have used a consultant.

CONTINUATION OF DISCUSSION OF 2008 BOARD GOALS (08-2-10C)

Director of Community and Government Relations Barbara Christensen said there are wording changes in many of the goals discussed at the Board Retreat. Some goals are also renumbered; for example, accreditation is now the number one goal at the request of the Board. Goal number 6 is the most substantially changed goal and should be paid particular attention. President Holoher asked about the status of offering the Skilled Trades Prep program at Peninsula High School as a concurrent enrollment opportunity. President Claire said Peninsula High School was very interested but was struggling to find a teacher. President Claire will pursue this issue further. Student Trustee Young asked that students as a group be added to goal number 8; it will be revised to read, ". . . to assure that both District and College research goals are coordinated and adequately address the needs of the Board, faculty, staff and students." Regarding goal number 26 concerning maintenance staff, Student Trustee Young reported that student body representatives at all three Colleges have expressed having difficulty with facilities issues, such as cleaning cafeteria spaces and the International Café. Vice Chancellor Nuñez stated, and

Vice President Lucas-Woods confirmed, that the food service vendor is contractually responsible for upkeep of the cafeterias. Chancellor Galatolo said that because students receive all of the profits from the International Café, they would be required to pay to have it cleaned. After a brief discussion, the Board agreed that the first appropriate step is for students to express their concerns at a District Auxiliary Services Advisory Committee (DASAC) meeting.

STATEMENTS FROM BOARD MEMBERS

Vice President Schwarz displayed a booklet that was included in last Sunday's edition of the San Francisco Chronicle advertising short courses at Foothill-De Anza. Vice President Schwarz attended the groundbreaking ceremony for the Skyline Maintenance Center and looks forward to attending the groundbreaking at Cañada as well. She also attended the Redwood City Planning Commission meeting at which the Commission approved sending the Cañada Vista project on to the City Council. Barbara Christensen said the City Council meeting will be held on March 24.

Trustee Mandelkern also attended the groundbreaking at Skyline College and was pleased that President Morrow recognized the importance of classified staff. He also attended the alumni mixer at Skyline. He reminded the Board that Skyline's Annual President's Breakfast will be on April 1.

COMMUNICATIONS

President Holober received a letter from 2008-09 Grand Jury Judge George Miram asking for submission of names for possible grand jury service, and asked the Board if there were any nominations.

RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 9:45 p.m.

The Board reconvened to Open Session at 11:30 p.m.

CLOSED SESSION ACTIONS TAKEN

President Holober reported that, at the Closed Session just concluded, the Board considered the personnel items listed on the printed agenda and voted 5-0 to approve the actions in Board Report No. 1-A and 1-B.

ADJOURNMENT

It was moved by Trustee Miljanich and seconded by Trustee Hausman to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 11:35 p.m.

The next meeting of the Board will be a Study Session on March 12, 2008 at 6:00 p.m. in the District Board Room.

Submitted by

Ron Galatolo
Secretary

Approved and entered into the proceedings of the March 12, 2008 meeting.

Karen Schwarz
Vice President-Clerk