



# Muskegon Community College

## **BOARD OF TRUSTEES BOARD MEETING MINUTES November 20, 2013 - 12:30 p.m.**

### Room 1100 – Lecture Hall Stevenson Center for Higher Education

**Present:** Chair Crandall, Vice-Chair Osborn, Trustee Frye, Trustee Lester, Trustee Mullally, Trustee Oakes, and Trustee Portenga

Chair Crandall called the meeting to order at 12:32 p.m.

1. Agenda

Trustee Portenga moved adoption of the agenda; second. Vote unanimous; motion carried.

2. Minutes

- Board Study Session Minutes – October 14, 2013

Trustee Lester moved approval; second. Vote unanimous; motion carried.

- Board Meeting Minutes – October 16, 2013

Trustee Portenga moved approval; second. Vote unanimous; motion carried.

3. Public Comments

There were no public comments.

4. Consent Agenda (*Board Action Required - Vote*)

A. Budget/Finance

1. Finance Committee Report – *Trustee Lester*

2. Treasurer and Financial Reports – *Trustee Lester*

B. Personnel

1. Personnel Committee Report – *Trustee Mullally*

- Trustee Mullally reported the Personnel committee met briefly on Monday after the Study Session. The President's salary review and the instrument for conducting the president's review were discussed. Dr. Nesbary shared a draft of a new performance review instrument. The committee recommends doing everything at the same time rather than at different times during the year.

Reviews would occur on a calendar year basis as opposed to a July and November basis. A new review tool would be set in December with an evaluation and salary review in January and a salary adjustment in July. Based on the recent evaluation and Dr. Nesbary indicating he doesn't want his salary adjusted right now, for this year it will be reviewed and adjusted in June or July. The new 360 instrument would start being used the summer of 2014, for an evaluation at the end of 2014 with a salary review at that time, lining everything up by the end of next year. The full Board requested an opportunity to review the new instrument, which will be uploaded to the Board portal.

Trustee Portenga moved approval of the consent agenda; second. The Personnel Committee report was removed from the consent agenda. Vote unanimous; motion carried.

5. Administrative Reports

A. Academic Affairs – *Teresa Sturuss*

There was nothing new to report.

B. Student Success Report – *Dr. John Selmon*

a. Enrollment

b. Student Success Completion Agenda

There was nothing new to report.

C. Personnel Report – *Aaron Hilliard*

There was nothing new to report.

6. Business Non Operational

A. MCCA Report – *Trustee Lester*

Trustee Lester received an email from Mike Hansen regarding GASB 68, which goes into effect in 2015. The MCCA is looking at forming a committee with college officials to review the implications; anyone interested in serving on this committee was encouraged to contact Mike Hansen or the MCCA.

B. Foundation Update – *Vice-Chair Osborn*

The Foundation is potentially going forward with some auxiliary groups to help out the foundation. Think Spring - the Jayhawk Scramble June 13, 2014.

7. Old Business

A. Year-End Golf Course Report – *Dr. Nesbary & Dr. Selmon*

Only the revenues were provided, not the costs. Dr. Selmon will follow-up with Beth Smith to obtain the following information:

- Cost information
- Operational expenses
- The college is obligated to pay a portion of the expenses – what were those expenses?

- With this being the last year of the current contract, the Board requested a full disclosure of the income and expense statement for operations and any outside capital improvement monies that have been put into the golf course

Additional information will be provided for the December Board meeting and the Board will decide what type of formal RFP process to launch in summer 2014.

## 8. New Business

### A. Auditor's Report – *Brickley DeLong* - Appendix A – B

Trustee Portenga moved acceptance of the auditor's report; second. Vote unanimous; motion carried.

### B. Government/Municipal/Public Funds Banking Resolution

Trustee Lester moved approval; second. Vote unanimous; motion carried.

### C. Resolution Authorizing Issuance of Bonds – *Chair Crandall*

Trustee Portenga moved approval; second. Vote unanimous; motion carried.

### D. Approval of Clark Construction Company for the Contract to Provide Construction Manager Services for the Muskegon Community College Science Center Addition and Remodeling Project

Trustee Portenga moved approval; second.

- Trustee Osborn referred to many previous discussions around using local organizations and the lowest bidder, stating in the past the college has either gone with the local or low bid. Based on information received, all 4 firms met the specifications and a local organization had the lowest bid. An \$82k differential is a lot of money and she stated we should look at local and the low bid. Trustees Lester and Oakes agreed. Trustee Osborn also noted that the college worked with the individuals who had the lowest bid on an \$11M addition around 1995, and that was a capital outlay project.
- Chair Crandall noted the construction contract is 5% of the entire cost, with 95% staying local. Related to the price differential, when Clark Construction presented, they had a base price of \$411k and also offered 2 additional proposals, based on the length of the project. If completed by December 2015 the price drops to \$346; if completed by August 2015, the price drops to \$341 and Clark believes there is no reason we can't reach the August date. Every construction company was asked what they could do to shave time off, and Clark was the the only one who responded with a legitimate plan of how it could be done. The difference between the low bid and the August 2015 completion date is \$12,500 (a 2%-3% increase). Additionally, their willingness to work with the state to facilitate MCC getting our grant from the state; they have done this for numerous projects and numerous universities. Our money has to go into the project first, with the state money being the last to be spent; if you're not familiar with the process and it's not managed properly the threat of leaving state money unused exists. Clark is the only one with the expertise to do this and make sure this doesn't happen. The issue of dealing with asbestos was also addressed with each construction company. Most of them said they would be willing to manage it and subcontract it out – that's an additional cost, but Clark will handle it and has a very specific process to handle it, which was explained, and is believed to result in significant cost savings. Chair Crandall believes the increased cost is going to be far less than the

efficiencies gained in timeline and remediation of any asbestos issues. Dr. Crandall believes it's not strictly a dollar matter, there is a significant difference in capabilities of the companies and going with the cheapest is not going to be the best economical decision for the college in the long term. He noted that we have a gymnasium/health facility to build and a downtown center to build and those do not involve state money, the issues around those will be different and there will be ample opportunity for the other companies to bid on those projects. If the board is interested, there could be more Board participation in the evaluation of the contractors moving forward, with many opportunities to support local contracting.

- Trustee Portenga stated that although he is torn, we had a committee that looked into this and he respects everybody on the committee. Everyone chose Clark as their number one pick and he understands the rationale and why they chose Clark; also, if this comes in sooner, the price differential becomes much less. Because of the expertise involved in getting this done, he believes we have to defer to the committee we asked to evaluate this.

Trustees Frye, Mullally and Portenga moved approval; Trustees Lester, Oakes and Osborn voted against the motion. Chair Crandall voted for approval; the motion passed.

E. FY2013-2014 Budget Amendment

Trustee Portenga moved approval; second. Vote unanimous; motion carried.

- A General Fund Budget summary of changes was distributed and summarized by Beth Dick.

F. Request for Sole Source Purchase of Torchmate Powermax 105 Plasma CNC Cutting System

Trustee Mullally moved approval; second. Vote unanimous; motion carried.

G. 2014 Board Meeting Calendar

Trustee Portenga moved approval; second.

- Trustee Oakes stated there are four Board meetings she will be unable to attend due to training for her job, but she is not requesting any changes.
- Chair Crandall indicated the Board has a lot of really critical decisions to make in a very short period of time and is looking forward to scheduling a retreat. Decisions are needed to finalize the science center; to finalize what is going in the downtown campus, location, and what kind of structure is needed; and decisions are needed for the health center. There are staff committees forming around these projects, and it would be nice to have Board participation. Any trustees interested in participating were asked to contact Chair Crandall. Teresa Sturru shared there are four committees: Downtown, Science, Arts, and Health.

9. Board of Trustees Policy Manual Updates – *Chair Crandall*

10. Announcements

A. President's Report – *President Nesbary*

- Related to staff experience in the projects MCC will be working on, Dr. Nesbary noted Teresa Sturrus and John Selmon have extensive experience, and Tom Harryman has a lot of Arts space design experience.
- He thanked everyone involved with the successful passage of the ballot question.
- Al Thomas set another world record with the electric dragster.
- Last week was international week here on campus with many great events.
- The MCC volleyball team won their first sole championship in history.

B. Departmental Updates – *President Nesbary*

C. Board Comments

- Trustee Frye recognized Dr. Selmon for his work with the Veteran's Day celebration; he played a big part; and talking about community involvement, you would have been proud of those who were involved and those who attended. She also thanked Trustee Mullally and Cindy DeBoef for sending millage information through facebook that she could repost and for Trustee Mullally's mlive article.
- Dr. Nesbary announced the November 25<sup>th</sup> celebration at the Lakehouse for the Yes for MCC Campaign from 6 to 8 pm.
- Trustee Osborn stated Thanksgiving is one of her most favorite holidays; she likes to pause and reflect on the people who make a positive impact on her life. She thanked everyone for all of their hard work; she knows how difficult it can be and how much hard work everyone put into getting the millage passed and working on all of these projects. She thanked her fellow Board members and all the people who have had a positive impact on her.
- Trustee Portenga thanked Dr. Nesbary for his work on the millage campaign; what we do here, trying to keep this as a cutting edge institution means so much now and also for decades to come. He also thanked the citizens of the county – they hit the nail on the head; they do a good job of sifting through all the pros and cons of various issues and they vote well – I thank them.
- Trustee Mullally and Chair Crandall concurred with all of the thank yous.
- Chair Crandall noted, as the Board reads the year end golf course statement they will see a letter from the First Tee program of West MI. This is really a neat program, where young people are taught important lessons in life through the game of golf. Last year 78 students were involved in the program, and 125 to 130 students are anticipated next year.

With no further business, Trustee Mullally moved to adjourn. The meeting was adjourned at 1:17 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd