The meeting of the Montgomery County Community College Board of Trustees was held on Monday, May 18, 2015 at 4:00 p.m. in the Rotelle Family Board Room, Central Campus.

Board of Trustees – Present: Michael D’Aniello, Chairperson; Andy Cantor, Vice Chairperson; Trudy Mann, Secretary; Marcel Groen, Assistant Secretary; Moon Ahn, Susan Arnhold, Margot Clark, Geoffrey Brandon, Anisha Robinson Keeys, Sean Kilkenny, Richard Montalbano, John Rafferty

Absent: Regina Lowrie, Treasurer; Ed Mullin and Ellen Toplin

Also Present:
Karen Stout, President; Marc Davis, Solicitor; Vicki Bastecki-Perez, Vice President of Academic Affairs and Provost; Kathrine Swanson, Vice President of Student Affairs and Enrollment Management; Celeste Schwartz, Vice President for Information Technology and College Services; Arline Stephen, Vice President for Development and External Relations; Steady Momo, Vice President of West Campus; Mike Yosifon, Interim Vice President for Finance and Administration; Ronald Brand, Interim Vice President for Finance and Administration; Peggy Lee-Clark, Executive Director of Government Relations and Special Projects; Diane O’Connor, Executive Director of Human Resources; Rose Makofske, Director of Equity & Diversity Initiatives & Title IX Coordinator; Leon Hill, Assistant Vice President for Institutional Research & Effectiveness; David DiMattio, Dean of STEM; Tracy Kaiser-Goebel, Strategies for College Success Regular Lecturer and Faculty Union Representative; Jaime Garrido, Associate Vice President for Facilities and Construction; Alana Mauger, Director of Communications; Kathleen McGirr, Controller; Vicki Giammarco, Director of Procurement and Auxiliary Services; Linda Kristekas, Interim Senior Grants Accountant; Philip Needles, Dean of Business & Entrepreneurial Initiatives/Strategic Advisor to the President; Beverly Welhan, Dean of Health Sciences; Francine Marz, Director of the Culinary Arts Institute; Angela Polec, Executive Director of Marketing and Communications; Josh Mitchell, Director of User Support and Instructional Technology; Deborah Rogers, Executive Assistant to the Board of Trustees; Angelina Sirak, Student, All PA Academic Team; Anthony Campisi, President & CEO, Annodyne, Peggy Gibbons, Intelligencer

Call to Order
Chairperson D’Aniello called the meeting to order at 4:08 p.m.

Pledge of Allegiance
Angelina Sirak, a student on the All Pennsylvania Academic Team, led the attendees in reciting the Pledge of Allegiance.

Presentation of All-Pennsylvania Academic Team Resolutions
Chairperson D’Aniello read and presented Angelina Sirak with a Board of Trustees Resolution for her academic and personal achievements and for being a member of the All-PA Academic Team.
**Introduction of Guests**

Vice President Schwartz introduced the following new guests to the Board: Anthony Campisi, President and CEO, Annodyne and Tracy Kaiser-Goebel, Strategies for College Success Regular Lecturer and Faculty Union representative.

**Public Testimony**

There was no Public Testimony.

**Consent Agenda**

Trustee Kilkenny asked that Agenda Item F, the Health Sciences Center Update be removed from the Consent Agenda and to be discussed under the Physical Plant Agenda. Trustee Lowrie made the motion to approve Consent Agenda Items A through E for the month of May as presented. Trustee Cantor seconded and the Board unanimously approved Consent Agenda Items A through E. Trustee Rafferty recused himself from voting on the Minutes since he did not attend the April Board meeting.

**Action Items:**

A. Approval of the April 27, 2015 Minutes
B. Treasurer’s Report through April 30, 2015
C. Professional Hires, Separations and Retirements for May 2015

**Information Items:**

D. Wilmington Trust Performance Update
E. Deferred Payment Plan Review

**President’s Report**

President Stout reviewed highlights of the President’s Report.

**Increase Access and Success**

**Enrollment Summary:**

Fall 2015 Registration:

As of May 18, unduplicated headcount is up 4.45% (3,755) compared to same day last year (3,595). Total credit hours is up 2.19% (32,959) compared to last year (32,253).

Summer 2015 Enrollment:

As of May 18, unduplicated headcount is up 2.01% (5,684) compared to same day last year (5,572). Total credit hours is up 1.04% (28,929) compared to last year (28,631).

**Build Curricular Relevance, Innovation in Delivery and Supportive Faculty Development Systems:**

The College’s Nursing Program received the quarterly report from the Pennsylvania State Board of Nursing regarding first time graduate success on the licensure examination (NCLEX-RN). The current report (January through March) shows an 81.58 percent passing rate for our students; a 1.58 percent increase from the state required benchmark of 80 percent and a 3.01 percent increase (78.57) from our fourth quarter report in 2014.
Develop an Engaged Community:
The Montgomery County Senior Games were held on campus the week of May 4-8. This year marks the 30th anniversary of the games with over 400 senior Olympians participating. The College hosted pickle ball, doubles/singles tennis, and several drop in events such as stationary bike, softball throw and walking. In conjunction with the Senior Games, the College also hosted the Senior Expo on May 8. Representative Kate Harper was in attendance and provided remarks to the Olympians.

The Fine Arts Gallery at Central Campus is showing “Courting Art: What I Love About Montgomery County,” an exhibition of original paintings and mixed media on view from May 6 through May 23. The exhibition and contest is sponsored by the Montgomery Bar Association and is open to older adults (55+) in the County.

President’s Outreach:
On May 7, as part of TEDxPennsburgED, an independently organized TED event at Upper Perkiomen High School, President Stout was one of six selected speakers. The TEDxPennsburgEd speakers look at the question, “What does it mean to have an innovative learning culture?” and answer on how it impacts students, teachers, leaders, community members, and our future. Other speakers included Harvard University Professor and Senior Research Manager of Harvard’s “Project Zero,” Dr. Edward Clapp; nationally recognized Philadelphia School District Principal, Salome Thomas-El; educator and author of the popular young adult novel, “Wendell the World’s Worst Wizard,” and co-founder of the technology writing platform, “Write About,” John Spencer; Vice President and Associate Provost for Research and Graduate Studies at Lehigh University, Dr. Alan Snyder; and 10th grade student at Upper Perkiomen High School, Pooja Girwarr.

On May 12, President Stout hosted her final Montgomery County Community College, “On the Air.” She has hosted the radio show since 2001. For her final recording sessions, her guests were Alma Jacobs, whom the recording studio is named in her honor and in memory of her husband and Michael D’Aniello, who discussed MCCC from the perspective of an alumnus and the accomplishments of the College during her tenure. The Dean of Arts and Humanities, Michele Cuomo, interviewed President Stout about her memories as the radio show host from 2001 to 2015, and her highlights as president of the College. Michele will be the new host for the show. Matt Porter and others involved in organizing and producing the radio show presented President Stout with a plaque and cake.

Adopt an Entrepreneurial Approach:

Foundation/Alumni Highlights:
The Capital Campaign continues to have success and has raised $10.4 million as of May 15, 2015.

Create a High Performance Culture:
Montgomery County Community College has placed second in the 2014 – 2015 Digital Community Colleges survey. According to the Center for Digital Education, this ranking reflects a comprehensive implementation of technology supporting the educational institution’s operations, as well as serving students, faculty and administrators.
As part of the President’s report, Chef Francine Marz provided the Board with an overview of the Culinary Arts Institute new award winning interactive website which was recently updated with the help of Annodyne.

Angela Polec also provided the Board with a brief update on the new advertising/media strategies for advertisement placement on bus wraps, billboards, mall advertising along with radio and print. Advertising will also be in alignment with the Hispanic market.

**Finance Committee:**

Trustee Brandon reported for the Committee.

**Science Center/2008 Refunding Project – Bond Broker Services:**

At its meeting of March 11, 2015 the Finance Committee directed the College Administration to issue an RFP for underwriting services in support of the Science Center Project $22,600,000 bond issue, and possibly the refunding of the callable portion of the 2008 bond issue ($22,240,000). Firms were asked to respond to the College’s Request for Proposals (RFP) and were instructed as part of this request to advise the College of the costs and benefits of restructuring the College’s existing debt in conjunction with the new issue.

After review and consideration of six Underwriting services by our Finance Office, the Administration recommended that the Board of Trustees Finance Committee interview three firms - TD Securities, NW Capital Markets and RBC Capital Markets – and recommend a final selection for Board approval.

The Finance Committee met with the three finalist and after deliberation recommended that RBC be selected to provide Underwriter’s services in support of the 2015 bond issue. RBC has significant experience and an understanding of Pennsylvania community college bond underwriting and all the requisite efforts and requirements to assure the best possible benefit and results.

Following subsequent discussions with RBC regarding their pricing structure, RBC reduced their fee for the Science Center and refunding option of the 2008 callable bonds to $133,221 (net – 7.8% lower).

At the direction of the Physical Plant Committee, the Administration discussed with RBC the addition of $8,245,722 bonding for the purchase of North Hall. RBC agreed to apply the new discounted rate - $2.525/$1,000 - increasing the total Underwriter’s fees and compensation of the combined three initiatives to $154,041.

Trustee Brandon made the motion that the Board Trustees approve RBC as the provider of Underwriting services in support of the 2015 bond issue for the Science Center, refunding of 2008 bonds and North Hall bonding for a total proposed cost of $154,041. Trustee Cantor seconded and the Board unanimously approved.

**Science Center/2008 Refunding Project – Bond Counsel:**

As discussed at the March 11, 2015 Finance Committee meeting, the College is seeking bond counsel services in support of the Science Center Project $22,600,000 bond issue and possibly the refunding of the callable portion of the 2008 bond issue ($22,240,000). Firms were asked to respond to the College’s
Request for Proposals (RFP) and were instructed as part of this request to advise the College of the costs and benefits of restructuring the College’s existing debt in conjunction with the new issue.

The RFP was advertised in the Times Herald on Thursday, March 12, 2015 and posted to the College’s website. In addition, the College reached out to five firms who were contacted as part of the prior bond issue to notify them of the RFP (Buchanan, Ingersoll & Rooney PC, Blank Rome LLP, Cozen O’Connor, Saul Ewing LLP, and Fox Rothschild LLP). Responses were received from one of those firms (Saul Ewing) as well as four other firms: Ballard Spahr LLP; Dilworth Paxson LLP; Eckert Seamans Cherin & Mellott, LLC; and Rhoads and Sinon LLP.

Saul Ewing has handled all of the College’s previous bond transactions. All firms appear to have the requisite experience. Based on the price and said relationship, College Administration would recommend that Saul Ewing be selected to be the Bond Counsel for the subject bond issue.

Trustee Brandon made the motion that the Board of Trustees engage Saul Ewing LLP as bond counsel to support the Science Center Project and possibly 2008 refunding bond issue. Trustee Killkenny seconded and the Board unanimously approved.

**Pennsylvania Department of Education (PDE) Electronic Grant Signature Resolution:**
As a recipient of Perkins grant funding, the College was notified in February 2014 of a change in the egrant system for Perkins applications by the Pennsylvania Department of Education (PDE). Beginning with the 2014-15 contract year, PDE now requires electronic signatures (e-signatures) for entities using the new and revised egrant system. The use of electronic signatures required a board resolution authorizing a named officer as authorized signer. This means the College no longer manually signs and mails to the department all application and grant documents. Instead, authorized officers are now able to affix e-signatures and submit e-signed grant agreements to the department through the e-grants system.

A Board resolution document was signed and executed in March 2014 for the 2014-2015 grant funding naming Dr. Stout as the College’s authorized officer. Our Perkins administrator at PDE has been informed of Dr. Stout’s departure and the search for a new President. Dr. James Linskz has been appointed by the Board to serve as Interim President, effective July 1, 2015. This change requires a new resolution to be signed and ready for the 2015-2016 grant application, due before June 15, 2015.

Trustee Brandon made the motion to approve the new resolution naming Dr. James Linskz as the authorized signatory. Trustee Cantor seconded and the Board unanimously approved.

**Physical Plant Committee:**
Trustee Kilkenny reported for the Committee:

**North Hall Due Diligence/Acquisition:**
At the Physical Plant Committee meeting on December 3, 2014, the Committee reviewed analyses which demonstrated the viability of purchase vs continued long term lease. By exercising the purchase option the College will save approximately $368,543 annually.
As directed by the Physical Plant Committee, the College performed due diligence on the property and conducted preliminary negotiations which resulted in a lower purchase price than stipulated on the current lease purchase option. The details of the negotiated purchase price are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Lease stipulated purchase option price</td>
<td>$8,800,000</td>
</tr>
<tr>
<td>Negotiated price reduction</td>
<td>($200,000)</td>
</tr>
<tr>
<td>Deduction for Capital Improvement Credit, stipulated in lease</td>
<td>($79,278)</td>
</tr>
<tr>
<td>Approximate rent credit owed to MCCC, under terms of current</td>
<td>($275,000)</td>
</tr>
<tr>
<td>lease</td>
<td></td>
</tr>
<tr>
<td><strong>Estimated Purchase Price</strong></td>
<td><strong>$8,245,722</strong></td>
</tr>
</tbody>
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As part of the evaluation process, Environmental Consulting Inc. conducted a Phase I Environmental Assessment of the property; Mastroieni & Associates Inc. provided an Appraisal Report; and Entech Engineering Inc. provided a building System functionality and condition assessment.

The overall building systems appear to be in good condition and should perform for their normal life expectancy or beyond with continued proper maintenance.

The objective of the Phase I Environmental Site Assessment was to identify recognized environmental conditions (RECs), as defined by ASTM E1527-13. Based on the findings of the Phase I, Environmental Consulting, Inc. concluded that three RECs exist in connection with the subject property, and recommends the College complete further investigation activities on the subject property, including limited geophysical, soil, and soil gas sampling and analysis investigation activities. Vesper Properties has agreed to complete this work prior to purchase agreement.

The College commissioned Mastroieni & Associates to conduct a property appraisal. They used a dual approach to determine the property value, income capitalization approach and sales comparison approach. Using the income capitalization approach, the value of the property was placed at $9M to $9.5M. Under the sales comparison approach, the property value was determined “as vacant” to be $4.5M.

As part of the discussion, President Stout provided the Board with a slide presentation of the North Hall, highlighting features such as the Art Gallery, modern classrooms and the tunnel which connects North Hall to South Hall.

Trustee Kilkenny made the motion that the Board approve the purchase of North Hall at a price not to exceed $8,245,722 and authorize the College to proceed with a purchase contract agreement with Vesper Properties Inc. under Counsel guidance and review and to initiate bond financing arrangements through the State Public School Building Authority (SPSBA). Trustee Mann seconded and the Board unanimously approved.

**140 College Drive Phase III Construction Bids:**
On April 9, 2015 bids for the 140 College Drive Phase III Renovations were publicly opened and read aloud. A total of 3 responses were received for General Construction, 3 for Mechanical Construction, 5 for Electrical Construction, and 2 for Plumbing Construction. Combined bids, including the proposed
deduct alternates, for the combined four lowest prime contractors total $2,124,720. With construction funding set at $1,649,445 the project would exceed budget by $475,275.

Since the total bids far exceed the approved construction budget, the Administration proposes that the Board reject all bids. The College, in conjunction with the Project Committee and the professional team, is assessing all reasonable modifications to the current design to enable the project to come in within budget. The project will be redesigned and rebid with the goal of bringing the bids to the May 18, 2015 Board of Trustees meeting for approval.

Trustee Kilkenny made the motion to recommend that the Board of Trustees reject all the bids received on April 9, 2015 for 140 College Drive Phase III project. Trustee Mann seconded and the Board unanimously approved.

Health Sciences Center Update:  
This was under the Consent Agenda, Item F. Trustee Kilkenny asked that this be removed from the Consent Agenda to be discussed under the Physical Plant Committee agenda. Trustee D’Aniello provided the Board with an update on the timeline provided for the Health Sciences Center project redesign and updated schedule.

This was an information item only and required no action by the Board.

Naming of the Student Success Center:  
In follow-up to the celebration on May 15, 2015 in honor of President Stout’s service to the College from 2001 through June 2015, Trustee D’Aniello officially made the motion to name the Student Success Center the Karen A. Stout Student Success Center in honor of Dr. Stout’s hard work and dedication to student success here at Montgomery County Community College. Trustee Mann seconded and the Board unanimously approved.

Executive Session:  
Chairman D’Aniello called the Board into an Executive Session at 4:47 p.m. to discuss personnel matters. No action was taken during their session. The Board re-adjourned at 5:23 p.m.

Personnel Committee:  
Trustee Montalbano reported for the Committee:

Administrative Salary Increase for FY 2015-2016:  
Recognizing that both the Faculty 2015 raises will be a 6.6% increase for the life of the contract, and the Support are negotiating a 4.7% increase for the three-year life of the contract; Administrative staff work very hard and work side-by-side every day with faculty and support staff. For this reason, an increase of 2.8% is recommended.

In addition to the 2.8% increase, as is our practice, the College will provide a market-based increase for employees whose salary is lagging behind.
Trustee Montalbano motioned to recommend that the Board of Trustees approve a 2.8% salary increase and a market-based adjustment of up to 5% for qualified Administrative employees whose performance reviews are completed and meet expectations in September 2015. Salary increases will be retroactive to July 1, 2015. Beginning in 2016, salary increases will be effective September 1, to align with the performance management process. Trustee Groen seconded and the Board unanimously approved.

**Emeritus Status:**
In honor of President’s Stout’s years of service (2001-15) to the College and for her dedication to student and academic success, Trustee D’Aniello made the motion to bestow Presidential Emeritus Status to Dr. Stout. Emeritus status will become effective July 1, 2015. President Stout will have all the emeritus benefits as outlined in the Emeritus Policy. Trustee Groen seconded and the Board unanimously approved.

_Bids:_

**140 College Drive Facility Renovation, Phase III:**
Trustee Arnhold made the motion from the re-bid results to award: Baver, Inc., General Construction, in the amount of $895,000; Allstates Mechanical Ltd., Mechanical Construction, in the amount of $257,000; Silas Bolef Company, Electrical Construction, in the amount of $258,200, and Vision Mechanical, Inc., Plumbing Construction, in the amount of $110,500. Trustee Brandon seconded and the Board unanimously approved.

**Structured Cabling System Project 2015:**
In spring 2015, a site survey was performed on all college buildings to determine the current wireless interference factors as well as to identify the optimum location for any new access points that will be added to the College network. Based on the results of and recommendations in the site survey, the College plans to implement approximately 455 new wireless access points during the summer of 2015. Each new wireless access point location will have the availability of two (2) network cables.

Trustee Brandon motioned to approve awarding a contract for a structured cabling system to JW Carrigan, LLC, for a total not to exceed $241,251. Trustee Arnhold seconded and the Board unanimously approved.

**Pure Storage Flash Array SAN:**
In order to maintain continuity within the College’s SAN (storage area network) solution, Pure Storage items must be purchased for any expansions to the existing flash array system. Because of this specificity, it is proposed that Pure Storage, manufacturer of the College’s SAN solution, should be considered Sole Source procurement for purposes of this flash array expansion project.

A cost analysis of required Pure Storage items, verifies that the sole bidder provided a fair, below market price to the College.

Trustee Groen motioned to recommend an award be made to ePlus Technology, Herndon, VA, as the lowest responsive, responsible bidder in the amount of $242,418. Trustee Clark seconded and the Board unanimously approved.
Health Sciences Center Addition and Renovation:
In December 2012, the College requested Board of Trustee approval for the Addition and Renovation to the Health Science Centers project. Approval was granted for a total of $34.6 million; $25.2 million of which was allocated for construction costs.

In October 23, 2014, a review of the sealed bid results for the Addition and Renovation of the Health Science Center indicated the need for modifications to the proposed project. Bids received in October were $3.6 million above the approved construction budget of $25.2 million. At the recommendation of the Administration, the October 23, 2014 bids were rejected by the Board of Trustees at their December 3, 2014 meeting.

The re-bid was advertised in the Times Herald, April 6, 2015 through April 8, 2015, and posted to the College’s website. Sealed bids were due in the College’s Business Office by 2:00 PM on May 12, 2015 and were opened immediately after the deadline.

The lowest construction bids total $26,620,000, thereby requiring the $25.2 million construction budget to be augmented with $1,405,670, transferred from the project’s contingency budget of $2,491,433. The contingency budget is normally used for project scope adjustments and change orders during construction. The College will closely monitor and manage change orders to keep within the reduced allotment. At this point, the administration is concerned that any further delay in this project will substantially impact the risk of cost increases.

Trustee Groen made the motion to table the recommendation for thirty (30) days asking that this be brought back to the Physical Plant Committee in June with a complete budget assessment and to reformulate all costs before moving forward. Trustee Kilkenny seconded and the Board unanimously approved.

Chair’s Report:
Chairman D’Aniello asked that everyone review the revised Statement of Governance in the Board packet. This will be discussed at the June Board meeting along with either a revision to the By-laws or a new policy regarding telecommunications for Board meetings.

Old Business
There was no old business to report.

New Business
There was no new business to report.

Adjournment
The meeting was adjourned at 5:45 p.m.
The next meeting is scheduled for Monday, June 15, 2015, 4:00 p.m. in the Rotelle Family Board Room, East House, Central Campus.

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Trudy Mann
Secretary