

Minutes  
June 28, 2006  
San Mateo, California

**The meeting was called to order at 6:07 p.m.**

**Board members present:** President Mandelkern, Vice President-Clerk Hausman, Trustees Holoher, Miljanich, and Schwarz; and Student Trustee Young

**Others present:** Chancellor Galatolo, CFO Blackwood (for Executive Vice Chancellor Keller), Vice Chancellor Joel, Skyline Vice President Adrian (for President Morrow), Cañada Interim President Mohr, CSM President Kelly, and District Academic Senate President Kapp

**Pledge of Allegiance**

**DISCUSSION OF THE ORDER OF THE AGENDA**

None

**MINUTES**

It was moved by Trustee Holoher and seconded by Trustee Hausman to approve the minutes of the Special Closed Session meeting of the Board of March 30, 2006. The motion carried, all members voting "Aye."

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve the minutes of the Regular Meeting of the Board of April 19, 2006. The motion carried, all members voting "Aye."

It was moved by Trustee Hausman and seconded by Trustee Holoher to approve the minutes of the Regular Meeting of the Board of May 17, 2006.

In discussion, Trustee Miljanich asked that the minutes of this meeting be amended to include her written comments regarding the statements from AFT members reported in the Statements from the Public on Non-Agenda Items at this meeting:

"Professor Harer, who serves as AFT co-president, said that the AFT had been bargaining with the District for nine months, beginning with the District's initial offer of 0% compensation, which the AFT considered "insulting." Recently, she said that both parties moved to consider mediation as a means to move negotiations to closure. She reported that a recent letter writing campaign, initiated by faculty members, revealed that most faculty want the AFT to hold on a bit longer in hopes of a better settlement.

"Trustee Miljanich stated that she felt comfortable speaking on behalf of the entire Board in expressing their deep respect for the faculty and appreciation for their attendance at the meeting. She expressed concern about "a climate of misinformation" noting that the Board had been informed that AFT representatives – not District representatives - had requested mediation. Vice Chancellor Joel confirmed that fact. In response, Professor Harer indicated that AFT was 'joking' about going to mediation. In addition, Trustee Miljanich commented that, to her knowledge, the Board had not given the Chancellor a salary increase as stated in the AFT newspaper. Finally, she asked the Board if any of them had ever made comments, as suggested by Professor Harer, that demonstrated disrespect for the faculty. Board members responded that they had not."

Following Trustee Miljanich's comments, the motion to approve the minutes of the May 17 meeting, as amended, carried, all members voting "Aye."

It was moved by Trustee Schwarz and seconded by Trustee Hausman to approve the minutes of the Special Closed Session Meeting of the Board of June 1, 2006. The motion carried, all members voting "Aye."

**PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS**

None

**STATEMENTS FROM EXECUTIVES**

Executive and Student Representative reports were presented by Chancellor Galatolo, Skyline Vice President Adrian (for President Morrow), CSM President Kelly, Cañada Interim President Mohr and CFO Blackwood (for Executive Vice Chancellor Keller).

Adding to her written report, CSM President Kelly announced that Jan Roecks, Director of Community Education, has been elected the Statewide President of the Association of Community and Continuing Education.

CFO Blackwood announced that District students are now able to pay fees on-line with e-checks. She also stated that the POS system at District Bookstores will be in place within the next week.

Copies of the Executive Statements/Reports were available for distribution at the meeting and are attached to the official minutes of record.

**STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS**

None

**NEW BUSINESS****APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (06-6-2A)**

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the actions in Board Report No. 06-6-2A. The motion carried, all members voting "Aye."

**APPROVAL OF CONSENT AGENDA (06-6 1CA – 06-6-12CA)**

The Consent Agenda consists of the following board reports:

06-6-1CA	Declaration of surplus property
06-6-2CA	Adoption of Resolution No. 06-9 establishing 2006-07 budget limits
06-6-3CA	Approval of student accidental injury insurance program, 2006-07
06-6-4CA	Approval of PBS membership dues and program service purchases, 2006-07 – KCSM
06-6-5CA	Approval of membership in PBS Station Independence Program (SIP), 2006-07 – KCSM
06-6-6CA	Approval of contract renewal with Descalso Lithograph, Inc., 2006-07 – KCSM
06-6-7CA	Approval of service agreement with Tele-Direct for pledge call center services, 2006-07 – KCSM
06-6-8CA	Approval of extension of agreement with Industrial Employers and Distributors (IEDA) for labor relations services
06-6-9CA	Approval of budgetary transfers for the period ending May 31, 2006 and adoption of Resolution No. 06-10 authorizing budget transfers for 2005-06
06-6-10CA	Augmentation to design - build contract for athletics facilities upgrades - Districtwide
06-6-11CA	Augmentation to design - build contract for Science Building 36 – College of San Mateo
06-6-12CA	Augmentation to design - build contract for the Student Support & Community Services Center Building 6 and Science Annex Building 7A – Skyline College

The following reports were set aside for separate consideration: 06-6-1CA, Declaration of surplus property; 06-6-10CA, Augmentation to design – build contract for athletics facilities upgrades; 06-6-11CA, Augmentation to design-build contract for Science Building 36 – College of San Mateo; and 06-6-12CA, Augmentation to design – build contract for the Student Support and Community Services Center, Building 6, and Science Annex, Building 7A - Skyline College.

It was then moved by Trustee Schwarz and seconded by Trustee Hausman to approve the Consent Agenda as amended (to include Board Reports 06-6-2CA through 06-6-9CA). The motion carried, all members voting "Aye."

**DECLARATION OF SURPLUS PROPERTY (06-6-1CA)**

Director of General Services Bennett provided the Board with some historical background regarding the disposition of surplus property, leading to the present system that includes a web site and a selling site called SCOVE. He noted that there are some difficulties with handling surplus items and with publicizing the availability of the items. He said that the District hopes to consult with other community college districts to determine common problems among the districts that could lead to common solutions. He added that the District is also using CraigsList and E-Bay to facilitate the disposition of items. Director Bennett also suggested that perhaps the surplus property reports could be done on a quarterly basis and asked for feedback from the Board regarding their preferences for frequency and magnitude of the reports.

Following discussion, it was moved by Trustee Holober and seconded by Trustee Hausman to declare the items specified on the report as surplus to the mission of the District and the Colleges. The motion carried, all members voting "Aye."

**AUGMENTATION TO DESIGN-BUILD CONTRACT FOR ATHLETICS FACILITIES UPGRADES – DISTRICTWIDE (06-6-10CA)**

This item is deferred to a meeting in the near future.

**AUGMENTATION TO DESIGN-BUILD CONTRACT FOR SCIENCE BUILDING 36 – COLLEGE OF SAN MATEO (06-6-11CA)**

**AUGMENTATION TO DESIGN-BUILD CONTRACT FOR THE STUDENT SUPPORT & COMMUNITY SERVICES CENTER BUILDING 6 AND SCIENCE ANNEX BUILDING 7A – SKYLINE COLLEGE (06-6-12CA)**

Regarding these two items, Trustee Holober expressed his concern that multi-million dollar contract augmentations appear on the Consent Agenda, especially given the potential future scrutiny to which design – build projects would be subject. Trustee Schwarz added that she had concerns about the public's perception of such costly items being handled in such a routine manner. Chancellor Galatolo stated that, while it is true that routine items, such as contract augmentations, can appear on the Consent Agenda, perhaps some guidelines are needed regarding the upper limit of the money figure and the frequency of an augmentation. President Mandelkern suggested a \$500,000 upper limit to contract augmentation on the Consent Agenda. Chancellor Galatolo stated that Director Christensen and he would work on a policy that would address these concerns.

Following discussion, it was moved by Trustee Hausman and seconded by Trustee Holober to approve items 06-6-11CA and 06-6-12CA. The motion carried, all members voting "Aye."

**CURRICULAR ADDITIONS AND DELETIONS – CAÑADA COLLEGE, COLLEGE OF SAN MATEO AND SKYLINE COLLEGE (06-6-1B)**

It was moved by Trustee Holober and seconded by Trustee Hausman to approve the curricular changes for Cañada College, College of San Mateo and Skyline College, as detailed in the report. The motion carried, all members voting "Aye."

**APPROVAL OF COMMUNITY SERVICES CLASSES, FALL 2006 – CAÑADA COLLEGE, COLLEGE OF SAN MATEO AND SKYLINE COLLEGE (06-6-2B)**

It was moved by Trustee Hausman and seconded by Trustee Holober to approve the Community Services classes to be offered for Fall 2006 at Cañada College, College of San Mateo and Skyline College, as well as off-campus locations. The motion carried, all members voting "Aye."

**CONTRACT AWARDS TO OCTAGON RISK SERVICES, INC. AND TO CLAIMS RETENTION SERVICES FOR THIRD-PARTY INSURANCE CLAIMS ADMINISTRATION (06-6-101B)**

It was moved by Trustee Holober and seconded by Trustee Hausman to award a five-year contract to provide third party administration of the District's workers' compensation program to Octagon Risk Services at a three-year cost of \$101,600 commencing July 1, 2006; and to award a five-year contract to provide third party administration of the District's general liability insurance claims to Claims Retention Services commencing July 1, 2006 at an annual fee of \$10,000. The motion carried, all members voting "Aye."

**APPROVAL OF REVISION TO EMPLOYEE SECOND LOAN PROGRAM REQUIREMENTS (06-6-102B)**

It was moved by Trustee Hausman and seconded by Trustee Miljanich to adopt the five modifications to the District's second loan program, as detailed in the report.

In response to questions from the Board, Director Christensen explained that the changes are an effort to keep first mortgages affordable. She added that, of the \$1 million authorized by the Board for this program, \$350,000 is currently in use. She added that the program is publicized via e-mail, new employee orientation and information disseminated from other cities with similar programs. She also said that, three times per year, first time homebuyers programs are offered by First Home; these services are free to all employees.

Following discussion, the motion carried, all members voting 'Aye.'

**APPROVAL OF SERVICE AGREEMENT WITH GOODMAN MARKETING PARTNERS FOR MEMBERSHIP SERVICES, 2006-07 – KCSM (06-6-103B)**

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve the agreement with Goodman Marketing Partners for provision of membership acquisition and renewal services, special appeals to members, and ongoing consulting services, as detailed in the report, during the period July 1, 2006 through June 30, 2007 at a cost not to exceed \$177,000; and to award the contract for KCSM's direct mail program to Goodman Marketing Partners in San Rafael. The motion carried, all members voting "Aye."

**ADOPTION OF THE 2006-07 TENTATIVE BUDGET (06-6-104B)**

It was moved by Trustee Hausman and seconded by Trustee Miljanich to adopt the tentative budget detailed in the report.

CFO Blackwood presented the report, detailing the chronology of the budget process at both the State and District levels. The Board of Governors released budget change proposals in September 2005, followed by the Governor's budget, released in January 2006 and reflecting a 5.18 COLA, 3.0% growth and \$130 million in equalization. Following Senate and Assembly hearings, the Governor's May Revise included 5.92% COLA, \$29.5 M equalization, \$29.5M scheduled maintenance/instructional equipment, \$24M matriculation, and \$100M each (one-time funds) for scheduled maintenance/instructional equipment and general purpose. Further Senate and Assembly deliberations evolved to the Senate's proposal for 2% growth, \$159M equalization and minor reductions in order to fund equalization; and the Assembly's proposal for 2% growth, \$80M equalization, fee reduction from \$26 to \$20 per unit, and \$30M for matriculation.

The Conference Committee met in June and put forward the following recommendations: 1) \$159M equalization; 2) fee reduction effective January 2007; 3) \$24M matriculation; 4) \$47M one-time instructional equipment; 5) \$47M one-time scheduled maintenance; \$100M one-time funds. The Conference Committee recommendations go back to each house; each house passed the bill by June 15, with the Governor signing by June 30.

CFO Blackwood provided a detailed description of the District's budget process, which includes intensive work by the District Committee on Budget and Finance (DCBF). This committee finalized the District's resource allocation model in the Fall and, following a review of the Governor's January budget, developed scenarios for each College. The CFO visited each campus and solicited feedback on the scenarios. In March, Budget assumptions are presented to the Board and the Board finalized District goals. At each College, the Budget Committee reviewed requests for funding and refined budget assumptions. After the DCBF made scenario recommendations for the Tentative Budget, site allocations were developed and budgets were prepared that fund the FTES goals. The Tentative Budget was then finalized and brought to the Board for approval. When the Final Budget is adopted, it will be based on the Tentative Budget, allowing for changes resulting from collective bargaining negotiations, State budget changes, refinement of assumptions and costs, and 2005-06 ending balances. The Adopted Budget will be brought to the Board for approval on September 28, 2006.

Tentative Budget assumptions include the following regarding revenues: continuation of program-based funding; FTES based on College estimates; \$1M equalization; \$920K growth due to new square footage; and 5.8% COLA. Expenditures include the following: 4% inflation; substantial increase in utilities; no change to full-time faculty obligation; and best estimates for fixed costs. A preview of the Adopted Budget includes the following elements: 5.92% COLA + \$100K; \$5.167M equalization; increase in health insurance premiums; decrease in utility costs; \$3.8M in compensation settlements thus far; \$350K matriculation; \$700K for scheduled maintenance and the sake for instructional equipment;

smaller site carryovers from 2005-06 to 2006-07; and slight deficit spending. The District will continue its efforts for growth in 2006-07 to fund ongoing commitments.

Following the report, the motion to adopt the tentative budget passed, all members voting "Aye."

**APPROVAL OF 2008-2012 FIVE-YEAR CAPITAL CONSTRUCTION PLAN (06-6-105B)**

It was moved by Trustee Hausman and seconded by Trustee Miljanich to authorize submission of the District's 2008-2012 Five Year Capital Construction Plan to the California Community Colleges Chancellor's Office, along with related Initial and Final Project Proposals for funding.

Executive Director of Facilities Planning and Operations Nuñez summarized the report, noting that the plan reflects input received from the State Chancellor's Office review of the 2007-2011 plan and is in alignment with the District's Capital Improvement Plan (CIP), the 2001 Facilities Master Plan and emerging master plan updates. In preparing and submitting the 2008-2012 plan, the District maintains its priorities with regard to funding improvements for 1) buildings and facilities, 2) improvements and modifications to meet the needs of the physically limited, and 3) response to safety concerns. He reported that the 2008-2012 Five-Year Capital Construction Plan includes eight Initial Project Proposals (IPPs) for fiscal year 2009-2012 and six Final Project Proposals (FPPs) for fiscal year 2008-09. He noted that the printed report summarizes each project in the 2008-2012 plan to be submitted to the State.

Following Executive Director Nuñez's comments, the motion carried, all members voting "Aye."

**AWARD OF CONTRACT FOR LANDSCAPE IMPROVEMENTS TO THE COLLEGE QUADRANGLE - CAÑADA COLLEGE (06-6-106B)**

It was moved by Trustee Schwarz and seconded by Trustee Miljanich to award the contract for construction of landscape improvements to the College quadrangle, Cañada College, to SJ Amoroso Co., inc. in an amount not to exceed \$1,761,000. The motion carried, all members voting "Aye."

**ADOPTION OF RESOLUTION NO. 06-11 DECLARING AN EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR PROJECTS AT COLLEGE OF SAN MATEO (06-6-107B)**

It was moved by Trustee Hausman and seconded by Trustee Schwarz to adopt Resolution No. 06-11, declaring an exemption under the California Environmental Quality Act (CEQA) for the projects listed in the report, thereby authorizing the District to file and post the necessary notices to CEQA. The motion carried, all members voting "Aye."

**ACCEPTANCE OF GIFTS BY THE DISTRICT (06-6-2C)**

The Board received the report, which detailed the gifts that have been offered for use in various departments in the Colleges from late December 2005 through mid-June 2006.

**STATEMENTS FROM BOARD MEMBERS**

Members of the Board reported on their attendance at the Colleges' commencement ceremonies.

**COMMUNICATIONS**

None.

The Board recessed to Closed Session at 8:20 p.m.

The Board reconvened to Open Session at 9:08 p.m.

**CLOSED SESSION ACTIONS TAKEN**

President Mandelkern reported that, at the Closed Session conducted earlier, the Board considered the personnel items listed on the printed agenda and unanimously approved the actions in Board Report No.1-A and 1-B. He also reported that the Board discussed collective bargaining matters with Chief Negotiator Joel; no action was taken.

**ADJOURNMENT**

It was moved by Trustee Hausman and seconded by Trustee Holober to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 9:10 p.m.

The next meeting of the Board will be a Study Session on July 12, 2006, beginning at 6:00 p.m. in the District Board Room.

The next Regular Meeting of the Board will be July 26, beginning at 6:00 p.m. in the District Board Room.

Submitted by

Ron Galatolo  
Secretary

Approved and entered into the proceedings of the July 26, 2006, 2006 meeting.

Helen Hausman  
Vice President-Clerk