MINUTES

SPECIAL MEETING AND STUDY SESSION OF THE BOARD OF TRUSTEES SANTA BARBARA COMMUNITY COLLEGE DISTRICT

Room A218C
Monday, April 23, 2012
4:00 p.m.

MacDougall Administration Center
SBCC East Campus
Santa Barbara City College
721 Cliff Drive

The meeting room is wheelchair accessible. The following services are available when requests are made by 4:00 p.m. of the day before the Committee meeting: American Sign Language interpreters or use of a reader during a meeting; large print agenda or minutes in alternative format; assistive listening devices. Please contact the Office of the Superintendent/President at (805) 730-4011 if you need assistance in order to participate in a public meeting or if you need the agenda and public documents modified as required by Section 202 of the American with Disabilities Act.

The District Office is located at 721 Cliff Drive, Santa Barbara, CA 93109. The Office of the Superintendent/President, Room A110 in the MacDougall Administration Center is the location where documents that are public records relating to any item under discussion on a Board agenda (including documents distributed with the agenda and those distributed to all or a majority of the members of the Board within 72 hours prior to a regular Board meeting or within 24 hours prior to a special meeting) are available for public inspection.

Board agendas and supporting documents are also posted on the College website at http://www.sbcc.edu/boardoftrustees/.

1. GENERAL FUNCTIONS AND ACTION ITEMS

1.1 CALL TO ORDER

Trustee Haslund called the meeting to order.

1.2 ROLL CALL

Members present:
Marty Blum
Marcia Croninger
Dr. Peter Haslund, President
Morris Jurkowitz
Joan Livingston
Lisa Macker, Vice President
Luis Villegas
Absent:
Scott Ammon, Student Trustee

Management present:
Dr. Jack Friedlander, Acting Superintendent/President
Marilynn Spaventa, Acting Executive VP Educational Programs
Sue Ehrlich, VP Human Resources
Ofelia Arellano, VP Continuing Education
Paul Bishop, VP Information Technology
Joe Sullivan, VP Business Services
Julie Hendricks, Senior Director of Facilities, Planning & Campus Development

1.3 WELCOME

Trustee Haslund extended a cordial welcome to all.

1.4 HEARING OF CITIZENS

No citizen expressed a wish to address the Board.

2. STUDY SESSION

THE FOLLOWING ITEMS WERE FOR DISCUSSION ONLY AND NO ACTION WAS TAKEN ON THEM AT THIS MEETING:

2.1 Review of Preconstruction Services Agreement, Humanities Modernization Lease-Leaseback Project, Frank Schipper Construction Co. (Attachment 2.1)

Julie Hendricks, Senior Director of Facilities, Planning and Campus Development gave a brief introduction to the agenda item. She informed the Trustees that negotiations have been finalized with the Frank Schipper Construction Company for the preconstruction agreement amount. The final amount for the preconstruction agreement is $30,000. A representative of Lundgren Management reported on the project contractor selection process.

The preconstruction agreement with the Frank Schipper Construction Company will be brought to the April 26, 2012 Board of Trustees meeting for approval.

2.2 Review of the Ten Percent (10%) Progress Payment Retention Amount for the Humanities Building Modernization Project (Attachment 2.2)

Ms. Hendricks reported that effective Jan. 1, 2012 Senate Bill No. 293 reduced progress payment retention amounts with regard to public construction contracts from 10% to 5%. However, Ms. Hendricks noted that because of the Humanities Building Modernization project’s scope and importance, the college is proposing to increase the retention rate to 10%. The proposal requires Board approval and will be presented at the April 26, 2012 Board of Trustees meeting.

2.3 Review of the Bids and Award of Contracts to the Following (Attachment 2.3):

BID #677 – Learning Resource Center -- Furniture Package
BID #678 – Learning Resource Center – Interior Refurbishment
BID #679 – Learning Resource Center/Library Roof Restoration

Ms. Hendricks reviewed each bid as it relates to the Learning Resource Center (LRC). Bid #678 is for the interior refurbishment (painting, carpet, minor construction) and Bid #677 is for furniture. Ms. Hendricks reported that both bids came under the anticipated estimate. The bid for the LRC roof was awarded to Craig Roof Company. The furniture package and the interior refurbishment are Measure V funded. The roof restoration is district funded.

2.4 DISCUSSION OF BUDGET REDUCTION OPTIONS (Handout at meeting)

Dr. Friedlander introduced Joe Sullivan, Vice President of Business Services. Mr. Sullivan distributed a handout of the slide presentation to be shown at the April 2012 budget forums. He reviewed each slide beginning with a comparison of the 2010-11 actuals and the 2011-12 projections. He stated that the current year’s revenues were cut $7.25 million and in 2011-12 the college experienced a $5.25 million workload reduction. Additionally, the college underwent a $2.4 million deficit factor for the current year based on a shortfall in state tax revenue of approximately $10 billion for the year.

Trustee Macker stated that the 2011-12 actuals are an accurate assessment of the college’s current budget.

Mr. Sullivan reviewed the best case and worse case budget scenarios in reference to the November 2012 tax initiative.

Trustee Livingston expressed the need for more information regarding the past year’s events and their impact on the college’s budget. She remarked that the Board has moved away from a passive allocation of funds to reserve ending balances to actively allocating funds to budget reserves. In response, Mr. Sullivan stated that it was important to understand that what was being presented was not just ending balances for the general fund, but also equipment and construction funds. Mr. Sullivan also stated it is an important fact to note that yes, we have ending balances, but they are dropping.

Trustee Croninger stated, and Trustee Macker agreed, that the current year’s budget matches the budget projections. Trustee Macker further noted that the Board adopted the budget recommendations submitted by the college’s administration and voted to maintain a budget reserve equal to 5% of the general fund after the banked TLUs and deferrals have been taken into account.

Dr. Friedlander reported that in order to offset expenses the college will start identifying where it can cut instructional TLUs. Mr. Sullivan reviewed the proposed additional expense reductions including the savings from the reorganization of Continuing Education and a reduction in hourly employees.

Discussion took place regarding legal expenses incurred by the college.

It was noted that some programs, particularly vocational programs, are more expensive than others to operate. Mr. Sullivan reported that to reach the current distribution of instruction and operating expense, 47% of the high cost programs would need to be eliminated. He then reviewed the criteria for the reduction or elimination of programs. Discussion ensued. It was suggested that the criteria should include program success rates. It was noted that the college would look at
reducing costs of programs before cutting programs. Dr. Friedlander added that the college is looking at the impact of any potential cuts on other budget factors.
A brief discussion ensued regarding labor contracts.

Mr. Sullivan reviewed the college’s budget principles. He focused on the following three principles:
1. The college shall balance its budget; ongoing expenses shall be supported by ongoing income.
4. Lay-offs of regular certificated and classified staff will be avoided if possible.
7. The college shall adhere to the principles of participatory governance while engaging in institutional planning and budget development.

Mr. Sullivan concluded by stating that in order to put the budget together, the college will need to specify where the budget cuts will be applied. However, this will not be done by the tentative budget’s deadline of June 15, 2012. He stated that the college will use the assumptions for those budget items not ready by the tentative budget’s deadline and focus on getting the remaining details for submission to the Board on September 15, 2012, the deadline for the adopted budget.

3. CLOSED SESSION

President Haslun convened the meeting to closed session.

a. CONVENE TO CLOSED SESSION

(Pursuant to Government Code Section 54957 Public Employee Appointment)
One position Superintendent/President

b. RECONVENE TO OPEN SESSION

President Haslun reconvened the meeting to open session and reported that there was nothing to report.

4. ADJOURNMENT

President Haslun adjourned this meeting. The next Regular Meeting of the Board of Trustees will be held on Thursday, April 26, 2012 at 4:00 p.m. in Room A211.

APPROVED BY THE BOARD OF TRUSTEES ON September 11, 2014

[Signatures]
President, Board of Trustees
Superintendent/President
Secretary/Clerk of the Board

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