

MINUTES  
November 8, 2006  
San Mateo, California

**The meeting was called to order at 6:10 p.m.**

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

**Others Present:** Chancellor Galatolo, Executive Vice Chancellor Keller, Skyline 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 Miljanich and seconded by Trustee Schwarz to approve the minutes of the Regular Meeting of the Board of October 25, 2006. The motion carried, all members voting "Aye."

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

None

**STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES**

Executive Reports were presented by Chancellor Galatolo, Skyline President Morrow, CSM President Kelly, Cañada President Mohr, and District Academic Senate President Kapp. President Morrow said that Skyline Associated Students President Luis Padilla was not in attendance because of a flat tire; he will present his report at a future meeting.

Chancellor Galatolo spoke about the passage of Proposition 1D in the November 7 election. With the passage of the proposition, community colleges will receive \$10.4 billion; SMCCCD will receive approximately \$50 million for the construction of two Facilities Maintenance Centers, demolition of buildings and other projects. Chancellor Galatolo said that Proposition 1D also provides for the extension of design-build method through 2011 for specified districts, including SMCCCD. Finally, Proposition 1D authorizes community colleges to build facilities to either Field Act standards or to the California Uniform Building Code. There is still some confusion about how this provision will be implemented, and whether projects will still need approval by the State Architect. County Counsel's Office is researching these questions for the District.

President Morrow thanked Board members who attended the ribbon cutting ceremony earlier today for the new Gymnasium. She commented that the women's basketball team played their first game today and that Skyline College now has four women's and four men's athletic teams. President Morrow also reported that Interim Dean of Language Arts Connie Beringer has been selected as permanent Dean, and the appointment will be brought to the Board for approval.

President Kelly distributed the following handouts to Board members: CSM Strategic Plan 2006-2008; ACCESS (Assistance Technology Center); CSM for Service; and CSM Currents. Chancellor Galatolo complimented President Kelly and her staff on the Strategic Plan.

President Mohr introduced Rick Voorhees of Voorhees Group, LLC which was awarded the contract for educational planning professional services at Cañada College. President Mohr described a meeting held earlier today with Mr. Voorhees which included information on student life, clubs and courses, and feedback on how the community views the College. President Mohr encouraged interested parties to go to the "Inside Cañada" section of the website to view detailed data. There will be a town hall meeting on December 5 to look closely at the vision and mission statement. President Mohr said that there has been an ongoing study following 905 students who began attending Cañada in the fall of 2005, to track whether they have been able to fulfill their goals. President Mohr will report the results of the study to the Board.

Executive Vice Chancellor Keller reported that Tom Bauer, Director of Bookstore Operations, is making a presentation this evening on the District's textbook rental program. Director Bauer has made several presentations at conferences on this program and also on what it takes for college bookstores to remain independent.

District Academic Senate President Kapp reported that work is progressing on the concurrent enrollment and distance learning initiatives. He noted the importance of having faculty involvement and expressed appreciation for being allowed time to ensure that this can be accomplished.

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

#### **UNFINISHED BUSINESS**

#### **APPROVAL OF AGREEMENT WITH ROCKRIDGE PARTNERS, INC. FOR MANAGEMENT SERVICES FOR INSURANCE INSTRUCTOR TRAINING INITIATIVE (AMENDED 11/8/06) (06-10-105B)**

It was moved by Trustee Holober and seconded by Trustee Schwarz to approve the agreement with Rockridge Partners, Inc. for management services for the insurance instructor training initiative, as amended.

President Kelly explained that the Insurance Instructor Training Initiative is a pass through grant. She said that a college is normally chosen to be a fiscal agent because of its knowledge and expertise regarding a particular program. President Kelly presented a brief background of the program. For over two decades, the insurance industry has had difficulty finding entry level employees. In 2004, the California Insurance Careers Program was initiated. Currently, 17 community colleges are partners in the collaborative.

With acceptance of the grant, in the fall of 2006 CSM began offering certificate and associate degree programs in the insurance field. Two new adjunct faculty members who had experience in the industry were brought in to train instructors for the new program. Rockridge Partners, Inc. has been actively engaged in the program since the beginning, first working with Solano College on the initiative, and recently approached CSM to become part of the grant. There are currently 10 students enrolled for instructor training, and 30 will be trained by the end of the year. President Mandelkern asked how many of these students are District faculty. CSM Dean of Business/Creative Arts Linda Avelar replied that there are no District faculty enrolled at this time. She said that faculty from other colleges that will offer the insurance program are taking the classes.

President Mandelkern asked if there is a policy regarding fiscal agent agreements, and if there are safeguards in place to mitigate risk. Chancellor Galatolo replied that he does not know of a specific policy. Executive Vice Chancellor Keller said that the College District has only participated in approximately six such agreements in the past 15 years. With this information, President Mandelkern stated that developing a policy may not be the best use of the Board's time.

President Kelly said that CSM was late seeking Board approval for the management agreement because there was confusion about which parts of the grant needed Board approval.

After discussion, the motion carried, all members voting "Aye."

## **NEW BUSINESS**

### **APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (06-11-1A)**

It was moved by Trustee Holoher and seconded by Trustee Miljanich to approve the actions in Board Report No. 06-11-1A. The motion carried, all members voting "Aye."

### **ADOPTION OF DISTRICT ACADEMIC CALENDAR, 2007-08 (06-11-1B)**

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve adoption of the District academic calendar for 2007-08.

Trustee Holoher asked if the District considers coordinating the calendar with that of California State Universities, particularly San Francisco State, in order to take advantage of the overflow of students. Chancellor Galatolo responded that he believes the District is becoming more aligned with San Francisco State and suggested that Vice Chancellor of Education Services and Planning Jing Luan can study this issue more closely. Vice Chancellor of Human Resources and Employee Relations Harry Joel added that since the AFT recommended starting classes one week later than usual, the District calendar will probably be closer to that of San Francisco State.

After discussion, the motion carried, all members voting "Aye."

### **ADOPTION OF RESOLUTION NO. 06-18 OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT 2006 GENERAL OBLIGATION BONDS (ELECTION OF 2005), SERIES B, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$332,570,605.40 (06-11-100B)**

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve adoption of Resolution No. 06-18.

Chancellor Galatolo said this topic had been extensively discussed at the October 11, 2006 Study Session of the Board. He introduced Chris Lynch of Jones Hall and John Sheldon of Morgan Stanley who were present to answer questions. Trustee Holoher asked if there are any new insights or predictions regarding the bond market. Mr. Sheldon responded that while rates change day to day, they are still within the range included in the October 11<sup>th</sup> report, hovering around 4.55%. Trustee Holoher asked if the approval of bonds in the November 7<sup>th</sup> election would have an effect on rates. Mr. Sheldon said that the issuance of these bonds will take place over a long period of time and none will be issued this year. However, there will be other issuances, both in California and nationally, within the next couple of weeks and the underwriter will consider this when determining the best time to sell the District bonds. Chancellor

Galatolo said that after Board approval, the District will be meeting with the bond rating agencies and no changes in the ratings are anticipated.

President Mandelkern asked for confirmation that the District has the approval of the County Counsel and Lee Buffington (County Treasurer-Tax Collector) as stated at the Study Session. Chancellor Galatolo confirmed this and added that investment strategies have also been discussed. President Mandelkern asked if the County Treasurer will manage the investments; Chancellor Galatolo said that would be the case, but the District has made it clear that management needs to be improved. Trustee Holober said that his questions were answered at the Study Session, but he wants to make sure that the District is keeping its word to the taxpayers. Chancellor Galatolo said that the accelerated issuance would be in the taxpayers' best interest. President Mandelkern urged the Board to stay informed on this important issue.

After discussion, the motion carried, all members voting "Aye."

**ADOPTION OF RESOLUTION NO. 06-19 OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING USE OF DESIGN-BUILD DELIVERY METHOD (06-11-101B)**

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve adoption of Resolution No. 06-19.

Trustee Holober said the list of projects looks good. He wanted to make sure that projects of any significant size will be under a Project Labor Agreement (PLA); Chancellor Galatolo replied that they will. Trustee Miljanich asked that "design-build" and "PLA" be explained in more detail, particularly for the benefit of Student Trustee Young who was not familiar with these terms.

Chancellor Galatolo explained the difference between "design-bid-build" and "design-build" methods of construction. In the design-bid-build process, each function is discrete. Through public works, an architect is hired to design a building; the architectural plans are forwarded to potential contractors; and the lowest responsive bidder is selected and construction begins. Under the design-build method, there is a team of the owner (i.e., District), architect and general contractor. This team works together from the beginning, encompassing design through construction. Chancellor Galatolo said that working as a team encourages the participants to work out problems together rather than placing blame on one of the parties, reducing the likelihood of lawsuits. It also allows flexibility to make changes to improve projects. Executive Vice Chancellor Keller added that this approach allows the team to think holistically, designing projects with consideration of other buildings to be designed in the same area. Trustee Holober said the District is one of only three college districts allowed to use the design-build method rather than competitive bidding, and that this indicates the State has trust in the District.

Trustee Holober described Project Labor Agreements. Under State law, certain laws must be followed, i.e., paying the prevailing wage in your community. Within this system, the District negotiated a contract with the San Mateo Building Trades Council, establishing conditions and costs for labor for all projects. The District is committed to pay the agreed upon wage whether union or non-union workers are hired. There is a no work stoppage provision whereby the Council intercedes to help settle disputes. President Mandelkern asked the status of negotiating a new PLA. Executive Vice Chancellor Keller said that José Nuñez will be negotiating. Trustee Schwarz added that the District needed to have project plans developed before it could negotiate a new PLA. Trustee Holober said that SMCCCD was the second district in the state, and the first in northern California, to pass a PLA. Other districts have seen the value of the agreements and followed suit; the Contra Costa Community College District passed an agreement last week.

President Mandelkern asked why none of the Cañada College projects have used the design-build method. Executive Vice Chancellor responded that a project must be in excess of \$10 million in order to use design-build. In the future it may be possible to combine a project, such as roadways, with other projects to reach the \$10 million level.

Trustee Schwarz asked whether the Loma Chica School will be renovated or replaced. Executive Vice Chancellor Keller said that the determination is made by looking at the value of a building vs. the cost of building a new one. It is also important to determine whether the existing building is in the correct place when the bridging documents are completed. President Morrow said that she visited the site when the previous clients were moving out. There are six classrooms, an assembly area and a considerable number of restrooms. The next step is to examine the infrastructure, e.g., current plumbing, earthquake safety, etc.

After discussion, the motion to approve Resolution No. 06-19 carried, all members voting “Aye.”

#### **APPROVAL OF CONSTRUCTION CONSULTANTS FOR DESIGN-BUILD BRIDGING DOCUMENTS (06-11-102B)**

It was moved by Trustee Holoher and seconded by Trustee Hausman to approve the construction consultants for design-build bridging documents. The motion carried, all members voting “Aye.”

#### **INFORMATION REPORTS**

##### **DISTRICT FINANCIAL SUMMARY FOR THE QUARTER ENDING SEPTEMBER 30, 2006 (06-11-1C)**

Executive Vice Chancellor Keller noted the continuing impact of triple flip.

##### **INFORMATION REPORT ON NEW PAYROLL SYSTEM (06-11-2C)**

Chief Financial Officer Kathy Blackwood reported on the new system. She explained that the County Office of Education is changing their payroll system and invited the District and other schools to be part of the new system. However, the District was paying the County Office approximately \$20,000 per year and the cost for the new system would increase to \$250,000 per year. This prompted the District to consider moving the payroll system in-house. The District already owns the payroll software in the Banner system. Development of an in-house payroll system will cost just under \$700,000 and it will take three years to realize the return on investment. There will also be some ongoing expenses.

CFO Blackwood said that outside of a glitch with Union Bank, which was satisfactorily rectified, the process has gone very smoothly. The new paychecks are easier to read and include sick leave and vacation balances.

The new student timecard can be printed or emailed through Banner. Students will get paid on the 15<sup>th</sup> of each month. There will also be new timecards for classified hourly and overtime, and training will be conducted. These groups will also be paid on the 15<sup>th</sup> of the month. There are no changes to the timecards for regular employees and adjunct faculty.

There are some upcoming challenges. The District will have to do PERS and STRS reporting beginning in January, and the first W-2 statements for students will be printed in January. The District will prepare its own state and federal quarterly reports.

In response to a question from Trustee Schwarz regarding a “dry run” in December, CFO Blackwood replied that testing has been ongoing. Trustee Schwarz asked who signs payroll checks. CFO Blackwood

replied that electronic signatures of Chancellor Galatolo and Executive Vice Chancellor Keller are used. Trustee Schwarz recommended using caution regarding whose names are on signature cards.

CFO Blackwood fielded questions and comments from the audience. Concern was expressed about the timing of the change; in addition to the holidays, the campuses will be busy closing the fall semester and working on spring registration. Trustee Schwarz suggested hiring more employees during this time, and CFO Blackwood said this would be done if necessary. President Mandelkern stressed the importance of addressing communications issues.

In the future, there will be information on web based timecards, online paycheck stubs and integrated leave balances.

Chancellor Galatolo thanked Director of ITS Frank Vaskelis for his work on this project, and CFO Blackwood acknowledged District and campus staff as well as the Payroll Implementation Team.

### **STATEMENTS FROM BOARD MEMBERS**

Trustee Schwarz attended the retirement reception for President Kelly and commented on the warmth and friendliness of the staff at College of San Mateo. She also complimented President Mandelkern on the poem he wrote in honor of President Kelly. Trustee Schwarz attended the ribbon cutting for the grand opening of the Skyline gymnasium earlier today and said it was a wonderful event.

Trustee Holoher shared copies of an extract from “Greening The Bottom Line: California Companies Save Money by Reducing Global Warming Pollution,” highlighting SMCCCD as one of the models. The report was issued by Environment California, a new environmental group created approximately one year ago by Calpirg. The extract notes that the District has achieved a 56% energy savings and energy costs are down by more than \$1 million per year. Trustee Holoher believes the Chancellor and Facilities staff should be complimented. Trustee Holoher also attended the retirement reception for President Kelly, which he termed a great event, and the ribbon cutting earlier today at Skyline where it was exciting to see the finished product.

Student Trustee Richael Young thanked everyone for voting and said she looks forward to the time she will be eligible to vote as well. She also thanked the Board for educating her on the design-bid-build vs. design-build methods. Student Trustee Young attended the retirement reception for President Kelly and noted that she has found all of the positive comments made about President Kelly to be true.

President Mandelkern also attended President Kelly’s retirement reception and commented that it was nice to see her family there as well as former students. He noted that the Board will miss President Kelly and thanked her for having agreed to serve as interim president. He asked President Kelly how much money has been donated for the Star projector (for people wishing to contribute, donations were requested in lieu of gifts). President Kelly said that there has been \$18,000 in donations so far. She noted that Larry Atkinson and his brother Jeff made a very generous contribution. President Mandelkern said that CSEA and the Academic Senate had also made generous contributions. The Planetarium is completely booked by elementary schools for the semester, and consideration is being given to opening on Wednesday afternoons as well as Fridays.

President Kelly thanked everyone for attending the reception. She was particularly moved by President Mandelkern’s poem and requested a copy of it.

President Mandelkern commented on the Environment California report provided by Trustee Holoher, saying the strategy employed by the District is a “gift that keeps on giving.” He said that the money

saved could be used to help students. He added that the strategy also helps the planet, and said he applauds staff. Chancellor Galatolo noted that the Board should be applauded as well because they set the direction and made conservation a goal.

**COMMUNICATIONS**

None

**RECESS TO CLOSED SESSION**

The Board recessed to Closed Session at 8:34 p.m.

The Board reconvened to Open Session at 9:45 p.m.

**CLOSED SESSION ACTIONS TAKEN**

President Mandelkern 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 9:46 p.m.

The next meeting of the Board will be a Regular Meeting on December 13, 2006 in the District Board Room.

Submitted by

Ron Galatolo  
Secretary

Approved and entered into the proceedings of the December 18, 2006 meeting.

Richard Holober

Vice President-Clerk