

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
May 13, 2015, San Mateo, CA**

The meeting was called to order at 6:03 p.m.

Board Members Present: President Patricia Miljanich, Vice President Dave Mandelkern, Trustees Richard Holober, Tom Mohr and Karen Schwarz, Student Trustee Rupinder Bajwa

Others Present: Chancellor Ron Galatolo, Executive Vice Chancellor Kathy Blackwood, Skyline College Vice President of Instruction Sarah Perkins, College of San Mateo Vice President of Administrative Services Jan Roecks, Cañada College President Larry Buckley, District Academic Senate President Diana Bennett

Pledge of Allegiance

DISCUSSION OF THE ORDER OF THE AGENDA

None

MINUTES

It was moved by Trustee Holober and seconded by Trustee Schwarz to approve the minutes of the regular meeting of April 29, 2015. The motion carried, with Trustee Holober and Vice President Mandelkern abstaining and all other members voting "Aye."

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

Skyline College Vice President Perkins said the College's Classified Senate won a "Model Senate Award" from the California Community College Classified Senate. Beta Theta Kappa, Skyline College's Phi Theta Kappa Chapter, ranks sixth out of 1,280 chapters, making it one of the top ten chapters in the world. Cosmetology and Wellness students provided massages and treatments in support of the Relay for Life "Day of Beauty" fundraiser. The Skyline College baseball team advanced to the regional playoffs. The Skyline College Annual Report was awarded second place by the Community College Public Relations Organization.

College of San Mateo Vice President of Administrative Services Jan Roecks said there was record attendance at the Classified Appreciation Breakfast; the event included a raffle which raised money for student scholarships. The Lady Bulldogs softball team captured the Coast Golden Gate Conference championship, with a 40-0 record. The team will be traveling to Bakersfield to compete in the State championship tournament.

Cañada College President Buckley said more than 200 students received scholarships or other awards at the Student Recognition Reception. Trustee Mohr attended the event, along with the family of Bob Stiff, former President of Cañada College who passed away earlier this year. Top high school scholars from the area were recognized at an Evening of Academic Excellence organized by Beta Zeta Nu, the College's chapter of Phi Theta Kappa. President Buckley said he was invited to attend the first White House Summit on Asian Americans and Pacific Islanders in Washington, D.C. Attendees included Cabinet Secretaries and members of Congress and included an interactive session with President Obama.

Executive Vice Chancellor Blackwood said the external auditors are conducting preliminary work at the District Office. The District's \$12 million Mandated Cost Claim was audited down to \$500,000 by the State auditors; the District will appeal. Staff is working toward closing the books for the year end. The Governor's May Revise will be released on May 14 and the District's tentative budget will be brought to the Board at the end of June.

District Academic Senate President Bennett said a Districtwide curriculum meeting will be held following the District's Opening Day event. This will provide an opportunity for faculty to consult and discuss curriculum across the District. The Academic Senates at Cañada College and College of San Mateo held elections for Senate President. Doug Hirzel was reelected at Cañada College and David Laderman was reelected at College of San Mateo. Kate Browne will continue as President at Skyline College. President Bennett said this is an excellent group of team leaders.

Nicole Harris, President of the Associated Students of Skyline College (ASSC), said members of ASSC serve on major District and College governance groups. There are currently 46 active student clubs on campus, including the Middle Eastern North African Club which was added this semester. ASSC activities for the semester included African American Heritage Month events, Valentines Cards for Veterans, diversity training led by Lee Mun Wah, College Lecture Series presentations by Dr. Joy DeGruy, Dolores Huerta and Dr. James Loewen, Chinese Lantern Festival, Spring Club Rush, Women's Empowerment Panel, President's Breakfast, Cesar Chavez Commemorative Luncheon, Community Overcoming Relationship Abuse (CORA) Drive, Asian American and Pacific Islander Heritage Month events, Flamingo Dance Workshop, and ASSC elections. Students participated in a leadership training event in Lake Tahoe and five students attended the National Grassroots Legislative Conference in Washington, D.C. Upcoming events include the Student Recognition & Awards Ceremony on May 14 and the Commencement Ceremony on May 29.

Vice President Mandelkern congratulated Ms. Harris on the impressive list of activities that were held this year. Trustee Mohr said the list of activities indicate that students are providing opportunities for learning outside of the classroom. Student Trustee Bajwa thanked Ms. Harris and the ASSC for their hard work on behalf of students. President Miljanich asked if individual clubs are primarily responsible for organizing ASSC activities. Ms. Harris said activities are typically suggested by the Activities Commissioner or members of the Student Council. They will also consider ideas presented by other students. The ASSC Vice President and Activities Commissioner recruit presenters both within and outside of the campus community.

BOARD SERIES PRESENTATION – INNOVATIONS IN TEACHING, LEARNING AND SUPPORT SERVICES: COLLABORATION ACROSS BOUNDARIES FOR EQUITY AND SUCCESS: CAÑADA COLLEGE'S STUDENT SUCCESS AND EQUITY PROJECTS (15-5-1C)

Gregory Anderson, Vice President of Instruction at Cañada College, said the presentation will provide a concrete description of the efforts to implement the State's Student Equity Plan in conjunction with the State's Basic Skills Plan. He said the presentation will also explicate some of the success the College has had in transcending boundaries between faculty, classified staff and students. The presenters will share a model for true participatory decision making around critical issues that exist in facilitating student success.

Anniqua Rana, Dean of Athletics, Kinesiology, Dance, Library and Learning Resources, and Co-Coordinator of the Academic Committee for Equity & Success (ACES), said the College's Equity Plan was presented to the Board in December 2014. Subsequently, a retreat was held at which participants shared data and identified areas needing support that would directly impact students. As a result, professional learning projects have been created. The groups that identified certain problem areas meet every Friday to plan initiatives. Another retreat will be held before the next semester to assess and reflect and to scale and deepen projects.

Dean Rana discussed the Student Voices for High Opportunity Practices for Equity (HOPE) Project, which focuses primarily on determining what helps ESL students to be successful. Faculty, classified and student groups compiled quantitative and qualitative data on ESL students who complete transfer level English 100 courses. Interviews and focus groups were conducted with these students to identify key factors that they report influencing their success. Student HOPE videos were created for use in and outside of the classroom.

Chris Woo, Retention Specialist in the STEM Center, reported on the RunDMC project which aims to improve the low course success rate of students in Math 120. It was determined that a large number of the Math 120 students could have gone directly into a Statistics course instead of Math 120; this prompted reevaluation about where students should be placed. Ms. Woo said a large number of Math 120 students were not registering on time for the following semester. A Registration Day was added and the number of non-registered students was decreased. In-class tutoring was also added.

Diva Ward, Director of Student Support in the Athletics, Kinesiology, Dance, Library and Learning Resources Division, discussed the Students Transitioning Out of Probation (STOP) project, which is designed to stop the chain of events that lead to students being placed on academic probation and to act immediately after students find themselves on academic probation. Ms. Ward said many students do not realize they are in academic trouble prior to receiving an email stating that they are being placed on academic probation. In response, different modes of contact were employed to alert students, e.g. phone calls, voice mail and letters. In addition, workshops were developed that targeted students who were on pre-dismissal status or in their second semester of academic probation. Students attending the workshops were given more information about academic probation and what they could do to be removed from probation. A student, Stephanie, reported that the various means of communication were helpful to her, as was the workshop she attended. President Miljanich thanked Stephanie for sharing her story.

Trustee Mohr said he would appreciate learning how many students have been removed from academic probation. Dean Rana said she will collect and share the data. Trustee Holober said he appreciates the work being done to make a difference in the lives of students. He said the use of various means of communication to students is very important. Vice President Mandelkern asked if the Colleges are sharing experiences and best practices with each other. Dean Rana said they share both formally and informally. Trustee Schwarz asked if more workshops for students on academic probation are being planned. Dean Rana said the goal is to offer workshops at different times in order to target different groups.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

Tom Bauer, Vice Chancellor of Auxiliary Services and Enterprise Operations, presented the Board with autographed copies of *PUNishment*, a book of puns by Bayan Shimizu, the younger brother of Lakas Shimizu who passed away in December 2013 at the age of eight. Lakas Shimizu was enrolled in the swim lessons at the San Mateo Athletic Club (SMAC) and Bayan currently swims at SMAC. The Shimizu family held a memorial service for Lakas at College of San Mateo and the Board adjourned the January 22, 2014 meeting in his memory. Trustee Schwarz suggested that the Board thank Bayan for the copies of his book. Chancellor Galatolo said he will prepare a thank you letter on behalf of the Board.

NEW BUSINESS

APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (15-5-1A)

President Miljanich announced that the first item under "Public Employment" should list Justin Stevick rather than Justine Stevick. It was moved by Vice President Mandelkern and seconded by Trustee Schwarz to approve the actions in the amended report. The motion carried, all members voting "Aye."

APPROVAL OF CONSENT AGENDA

President Miljanich said the consent agenda consists of Board Reports 15-5-1CA and 15-5-2CA as listed on the printed agenda. It was moved by Trustee Mohr and seconded by Trustee Holober to approve the items on the consent agenda. The motion carried, all members voting "Aye."

Other Recommendations

CONSIDERATION OF SERVICE AWARD FOR 2014-15 STUDENT TRUSTEE (15-5-100B)

It was moved by Trustee Schwarz and seconded by Trustee Holober to approve the service award as detailed in the report. The motion carried, all members voting "Aye." President Miljanich said the service award is well-deserved. She said Student Trustee Bajwa contributes to the Board's understanding of student issues and shows great leadership qualities.

APPROVAL OF SOLE SOURCE AGREEMENT WITH CREDENTIALS SOLUTIONS FOR PARKING PERMIT MANAGEMENT SERVICES (15-5-101B)

It was moved by Trustee Schwarz and seconded by Vice President Mandelkern to approve the agreement as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF CONTRACT AWARD FOR PARKING CITATION PROCESSING AND ADJUDICATION (15-5-102B)

It was moved by Trustee Mohr and seconded by Trustee Holober to approve the contract award as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH STRATA INFORMATION GROUP (15-5-103B)

It was moved by Trustee Holober and seconded by Trustee Schwarz to approve the amendment as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF CONTRACT AWARD FOR ROOF REPLACEMENT PROJECT AT COLLEGE OF SAN MATEO BUILDINGS 1, 14 AND 16 AND SKYLINE COLLEGE BUILDING 14 (15-5-104B)

It was moved by Vice President Mandelkern and seconded by Trustee Holober to approve the contract award as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF CONTRACT AWARD FOR COLONNADES WATERPROOFING AT COLLEGE OF SAN MATEO AND DECK WATERPROOFING AT THE DISTRICT OFFICE (15-5-105B)

It was moved by Trustee Mohr and seconded by Trustee Holober to approve the contract award as detailed in the report. The motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 15-9 REGARDING BOARD ABSENCE (15-5-106B)

It was moved by Trustee Mohr and seconded by Trustee Schwarz to adopt Resolution No. 15-9. The motion carried, with Trustee Holober and Vice President Mandelkern abstaining and all other members voting "Aye."

ADOPTION OF RESOLUTION NO. 15-10 IN HONOR OF RICHARD SOYOMBO (15-5-107B)

It was moved by Vice President Mandelkern and seconded by Trustee Mohr to adopt Resolution No. 15-10. The motion carried, all members voting "Aye."

INFORMATION REPORTS

UPDATE ON PROFESSIONAL SERVICES AGREEMENT WITH MEDIFIT CORPORATE SERVICES, INC. TO OPERATE THE SAN MATEO ATHLETIC CLUB IN PARTNERSHIP WITH THE DISTRICT (15-5-2C)

Vice Chancellor Bauer said the San Mateo Athletic Club (SMAC) is a teaching health club with a unique synergy between the academic program and the community-based program. He said SMAC recently completed its third year of participation in "SMAC Out Cancer" and Swim Across America. During the first year, \$48,000 was raised to support research on childhood cancer, increasing to \$69,000 for the second year and more than \$97,000 for the third year. Vice Chancellor Bauer thanked Vice President Mandelkern for issuing a fundraising goal challenge for the kickoff and for following through when the challenge was met.

Vice Chancellor Bauer reviewed the history of SMAC. The facility opened in 2010 with approximately 800 members. At the end of the first year, there were 1,800 members. Through January 2015, there were 5,380 members, with community members representing the largest group. Sixty percent of members are referred by fellow members. Memberships have grown steadily and have consistently exceeded the goals. SMAC offers a special "Guest" rate to all College of San Mateo students enrolled in Physical Education classes held within SMAC. Students are charged \$25 to continue their fitness routines during semester breaks.

Vice Chancellor Bauer said group exercise classes include Spinning, Pilates, Body Sculpting, Total Body, Zumba, Water Aerobics, Yoga Step, Kickboxing, Trigger Point and Cardio Sculpt. Programs offered include Masters Swimming, swim lessons for all ages, and partner programs with the San Mateo Union High School District. Certification programs offered as part of the academic program include Personal Trainer, Lifeguard, Spinning, Pilates, and Yoga. There are also cross promotions on campus with Nursing, Kinesiology, Yoga, Dance, Cosmetology and Veterans Affairs. More than 40 workshops, clinics and opportunities to earn continuing education units are offered annually.

Vice Chancellor Bauer said that in 2010, members of the San Mateo Marlins Masters Swim Team joined SMAC and formed the new San Mateo Master Swim Team. There are currently 310 Masters Swimmers along with 200 members of the youth swim team. SMAC has been the host site for more than six swim meets annually. Swim lessons for all ages are offered as well as swim clinics and workshops.

Vice Chancellor Bauer said that 54% of SMAC staff are college students; 31% of these are College of San Mateo students and 15% are former College of San Mateo students.

Vice Chancellor Bauer said that MediFit recently merged with EXOS. Founded in 1999 and headquartered in Phoenix, EXOS conducts elite performance training worldwide. Clients include professional athletes and teams, Olympic medalists, the military, and innovate companies including Fortune 500 companies. Vice Chancellor Bauer said this is a merger of equals. He said the benefits to the District are: expanded educational opportunities coupled with cutting edge research and industry leadership; programming and equipment design benefitting members through strategic relationships with equipment providers and software platforms; and workforce development/increased career opportunities on a global basis with a wider variety of clients/partners.

Tina Acree, AFSCME Business Agent, said she believes the custodial services should be provided by District employees. She said these employees have the highest cleaning standards and are committed to customer service. She said she believes it is time to have a serious discussion about the District's goal to provide good jobs and benefits to its

employees. Ms. Acree said she hopes the Board will consider not contracting out the work that can be done by the District's own Facilities staff. Vice Chancellor Bauer said AFSCME members take care of the entire facility except custodial, e.g. electrical, light fixtures, pool, heating, etc.

The Board discussed whether the original intention was to have some positions filled by District staff at a later time; recollections of Board members differed on this point. Vice Chancellor Bauer said MediFit, as the District's partner, is held accountable for the operation of the facility, including cleanliness and inspections. He said he believed it would be unfair to hold them accountable without giving them the opportunity to supervise the custodial staff.

Trustee Holober said he is mindful of the success of the program and credited Chancellor Galatolo for his original vision. Trustee Holober said he always has been philosophically opposed to contracting out, particularly if the purpose is to cut wages and benefits. He said the Board has decided against contracting out for the bookstores and child development centers even though doing so would have produced savings. Trustee Holober said he recognizes that the athletic club is a unique business and it probably would not make sense to eliminate the management company. However, he said SMAC is the District's facility which it allows MediFit to manage. He said it is difficult to understand why the custodial staff, who clean gyms and locker rooms, would not be able to perform custodial services at SMAC. He said he believes there may be ways to work through any problems.

Trustee Schwarz said she recalled Vice Chancellor José Nuñez saying at an earlier meeting that the custodial staff who work at SMAC are held to higher level APPA (Association of Physical Plant Administrators) standards than District staff. Vice Chancellor Bauer said the District's custodial staff could be trained to meet the APPA Level 1 standards but he would still be concerned about the issue of supervision. He said the cleaning is performed by employees of a company that does other work for the District and is a prevailing wage company. He said that, while the custodians are not employees of MediFit, MediFit has the ability to supervise them and respond to employee problems very quickly. Ms. Acree said SMAC was instituted during the economic downturn. She said there was an agreement to move forward and then look at turning over jobs to District employees. She said District employees are completely capable of doing the high level work that is required.

Vice President Mandelkern said the campuses are beautiful because of the topnotch work performed by AFSCME members. He said he believes the District has a responsibility to provide jobs with decent wages and benefits. He said he would like to discuss working with MediFit to find ways in which AFSCME members could be employed at SMAC. Vice Chancellor Bauer said MediFit pays at the top level for the industry and provides options for benefits.

Trustee Schwarz said she is impressed with the greater than expected growth of SMAC. She is also pleased to hear about the number of students involved as members, workers and teachers. Trustee Schwarz said she recalls saying five years ago that she hoped it would be possible to move District employees into SMAC positions as the economy improved. She said she believes the Board should discuss this issue and appreciates that the dialogue is open.

President Miljanich said she did not know of a plan to move District employees into positions at SMAC and she did not agree to such a plan. She said maintaining authority over employees is not a minimal issue. She said she believes the SMAC operation is working well and she would be loath to change it much. She said she does not believe the District has the capacity to manage the facility nor should it be managing it.

Trustee Mohr said this is a complex matter that deserves a thorough analytical process. He said he is sensitive to the issue of deficits and remembers the discussions regarding subsidizing KCSM during the same time that classes were being cut. He said whether staffing at SMAC can be changed remains to be seen but the decision must be based on careful study from every frame of reference, including staffing the facility seven days a week, shift differentials, etc. Trustee Mohr said the District has created something that is remarkable and modifying it would take a great deal of thought. He said the Board must be sensitive to the feelings of students and the community who value the facility.

Trustee Holober said recollections of Board members differ on what was discussed or agreed to on staffing, but he believes it is time to revisit the issue. He suggested taking the time to gather information and analyze the costs for custodial services. He said he believes the cost for custodial services is relatively small. He said there might be price elasticity regarding membership fees because they are relatively low at SMAC.

Chancellor Galatolo noted that SMAC is open 364 days each year, 16 hours each day Monday through Friday and 12 hours each day on Saturday and Sunday. He said using District employees would mean incurring additional costs for

shift differentials, overtime and holiday pay, etc. Trustee Holober said these are valid concerns. He asked that a cost analysis be presented at a Board meeting prior to the meeting at which a MediFit contract will be presented for approval. It was agreed that staff will prepare the analysis.

Trustee Holober congratulated Vice Chancellor Bauer on the phenomenal growth of SMAC. He asked about the status regarding capacity. Vice Chancellor Bauer said SMAC has not yet reached capacity. He said there have been no complaints to date about members not being able to use equipment or not getting into classes. Trustee Holober asked for information on corporate memberships. Vice Chancellor Bauer said corporate members are charged a lower registration fee and slightly lower monthly fees because of the number of members that are brought in. Trustee Holober asked if there is data about member retention. Vice Chancellor Bauer said he does not have the data with him but can report that retention rates are excellent. President Miljanich asked if the cause of members leaving is known. Vice Chancellor Bauer said the most common reason is that members leave the area. The second most common reason is stresses on parking.

Vice President Mandelkern asked what portion of the management fees paid to MediFit is for bonus or incentive payments. Vice Chancellor Bauer said this varies every year. He said the original formula included a \$50,000 base and another \$50,000 if goals were met. Vice Chancellor Bauer said Deputy Chancellor Jim Keller originally wanted a low management fee and high bonus potential based on performance. He said the District keeps approximately 70% of the profit and MediFit receives approximately 30%, which is the same as the Community Education program. Vice President Mandelkern said he would like to see the dollar amounts, along with what is projected for the new contract proposal.

Vice President Mandelkern noted that the recommendation to renew the management agreement with EXOS/MediFit will be for the operation of SMAC as well as the planned facility at Cañada College. He asked if this can be done legally without putting the new facility out to bid. Vice Chancellor Bauer said he conferred with County Counsel and was told that there is a special services provision in the Education Code under which this would fall. Under the provision, the District may go through the bid process but is not required to do so.

Vice President Mandelkern said his recollection is that SMAC was to be used by students and adults only and he noted that there are now activities for children. Vice Chancellor Bauer said the plan always included aquatics programming for children. He said children are not allowed in the gymnasium or locker rooms. He said 16-18 year olds may be members if they are accompanied by their parents.

REPORT: SMCCCD LEADS IN RESPONDING TO DROUGHT (15-5-3C)

Karen Powell, Executive Director of Facilities Maintenance and Operations, thanked the Board and Chancellor Galatolo for their commitment to sustainability. She introduced Joe Fullerton, Energy and Sustainability Manager. Mr. Fullerton provided an update on the worsening drought conditions throughout the State from May of 2013 to the present. He said the District began developing a water efficiency program before a state of emergency was declared and State and local regulations were enacted. He said the District is meeting or exceeding State requirements.

Mr. Fullerton provided details on the District's Water Efficiency Program (WEP). The process consists of:

1. Measure and benchmark water consumption
2. Develop a water use profile
3. Identify and establish water use reduction goals
4. Prioritize, budget and implement water conservation measures
5. Monitor and evaluate WEP effectiveness and adjust

Mr. Fullerton said the WEP is focused on four areas: Irrigation, which represents the District's largest water use; Industrial; Domestic; and Miscellaneous, which includes fountains, Food Services, and other items. Separating out the various miscellaneous uses of water will take a mixture of analytical approaches.

Mr. Fullerton discussed the WEP evolution. He said some water regulations are still being established and changes may require significant investment in hardware, software and training. For instance, no reliable data at the building/system level is available; building sub-metering will help resolve this.

Mr. Fullerton said education and outreach is occurring through a mixture of campus prompts, classroom activities and Facilities teamwork. Involvement and lesson plan integration occur through the Campus Sustainability Committees.

Mr. Fullerton said the District reduced its water costs in 2014 by 30%. He said the District is helping sister schools/districts throughout the State by creating a template of the District's WEP.

Trustee Mohr asked what the goal and timeframe is with regard to water use reduction. Mr. Fullerton said the goal is to reduce costs by 40% by the end of this year. He said this will be difficult, especially if construction goes forward soon. However, he believes the goal can be reached while continuing to serve the community in an excellent way.

Vice President Mandelkern asked why water consumption at College of San Mateo is considerably greater than at the other campuses. Mr. Fullerton said the College of San Mateo campus is approximately twice the size of the other campuses. The pools at the campus are also well-used and the campus contains a larger courtyard area. He said it will take granular level data, which is not currently available, to determine exactly how much water is used for the fountains, pools, etc. Ms. Powell said the fountains have very expensive linings which would be damaged if the fountains are drained.

President Miljanich asked if the District prioritizes trees over other landscaping items. Mr. Fullerton said the water delivery system in place does not list priorities.

Trustee Holober said California will likely go through droughts periodically. For new construction, he suggested efficiencies such as water collection systems, water-free urinals, drip irrigation systems, and native vegetation in place of lawns. Mr. Fullerton said the District has developed a new set of comprehensive guidelines. He said the new standards for buildings going forward is LEED gold which requires a very high level of water efficiency.

Vice President Mandelkern asked if the District views fixing items such as pipe leaks as an area for reduction in use. Ms. Powell said the District has implemented an underground utility mapping system called InSite and a new asset management function has been added to identify the age and type of underground infrastructures as the Colleges. This information will help identify areas of leaks.

DISCUSSION OF ALL-MAIL BALLOT PILOT PROJECT (15-5-4C)

President Miljanich said the Board discussed this item at the last meeting and asked that it be discussed further so that the Trustees who were absent could have the opportunity to provide input. She said she was unable to attend a meeting at the County Registration and Elections Division but later spoke with the person who conducted the meeting. She was informed that cost savings will be passed on to the districts holding elections. She said the person with whom she spoke believes that people who have ballots in hand may be more likely to vote.

Vice President Mandelkern said the City of San Carlos reported that it would experience a cost savings of approximately \$83,000; he said the District would potentially experience a considerable cost savings as well. He said a majority of ballots are cost by mail currently. He said he believes a change to an all-mail ballot would make a minimal difference in voter turnout and he would not expect to see a decrease.

Trustee Holober pointed out potential concerns regarding all-mail balloting despite the cost savings. He said it can make elections more expensive for candidates because they must sustain their campaigns for all 29 days leading up to the election rather than using selective strategies such as reaching election day voters, segmenting mailings, etc. Trustee Holober said another area of concern is the loss of the concept of a civic meeting place where people come together; this may result in losing some voters who typically vote in person. He said there is also a significant number of people who deliver their mail ballots in person on election day and may be confused if there is only one location to do so in each city.

Trustee Schwarz said she would be in favor of participating in the pilot project, noting that it will not go forward if not all jurisdictions elect to participate. She said the number of people who vote in elections is currently embarrassingly low. She said she would be willing to take a chance that all-mail balloting would help by making it easier for people to vote.

Trustee Mohr said almost 75% of people in the County who vote do so by mail and the trend is in this direction. He said he believes people in underrepresented populations might feel more involved if it is easier for them to vote.

President Miljanich said she sees value in the cost savings to the District. She said a representative from the Elections Office is willing to attend a Board meeting if the Board has questions or would like more information.

Vice President Mandelkern said the fact that every jurisdiction must agree to participate gives weight to the Board's decision. He said he foresees all-mail balloting as inevitable and he is ready to support participating in the pilot project.

Student Trustee Bajwa said he is concerned about how all-mail balloting would affect the youth vote; he said he has worked at polling places and the majority of voters who came to vote in person were young. Trustee Mohr said it would be interesting to see if more young people would get involved if the precincts could be on the College campuses. Trustee Holober suggested asking the County Elections Officer if polling places could be allowed at each of the Colleges. President Miljanich said she will ask this question and report back to the Board.

DISCUSSION OF BOND INVESTMENTS (15-5-5C)

Executive Vice Chancellor Blackwood said the District is preparing to issue the first set of bonds for Measure H. She said the Board previously has discussed investing the funds rather than placing them in the County Pool and having the County invest them. She said she is seeking the Board's guidance on this issue.

Executive Vice Chancellor Blackwood presented three options for bond investments:

1. County Pool
Advantages: liquidity; ease of use; no need to manage
Disadvantages: relatively low return; some amount of risk; concerns about investment acuity
2. Guaranteed Investment Contract (GIC)
Advantages: secure; guaranteed
Disadvantages: has to be bid out; relatively low return; may not be as liquid; more work to manage
3. Actively Managed Portfolio
Advantages: would be managed by Western Asset Management and Blackrock and overseen by Morgan Stanley, providing strong investment skills and two sets of eyes reviewing the investments; higher rate of return likely; high degree of liquidity
Disadvantages: like the County Pool, has some amount of risk

Executive Vice Chancellor Blackwood provided a comparison of the three options in terms of risk, net return and fees:

County Pool – Risk: some; Net Return: $\approx 0.85\%$; Fee: 0.12%

GIC – Risk: little; Net Return: $\approx 0.90\%$; Fee: 0.05%

Actively Managed – Risk: some (perhaps less because of investment skills); Net Return: ≈ 1.00 to 1.26; Fee: 0.17%

Executive Vice Chancellor Blackwood said the District will be issuing approximately \$120 million, of which \$15 million will be needed in 2015-16 and another \$26 million in 2016-17. This means that approximately \$89 million could be invested for at least two years. The County Pool is averaging approximately 18 months duration.

Executive Vice Chancellor Blackwood said that if the District takes funds out of the County Pool and invests them separately, the County will allow the District to put the funds back in the Pool in order to spend them. However, the District will not be allowed to pull its funds out and put them back in with ease. Limits on withdrawals are included in the County's investment policy to which the District agreed to adhere.

Trustee Mohr asked if investing independently of the County would affect the District's relationship with the County in other areas. Executive Vice Chancellor Blackwood said the District is required by State law to maintain its operating funds with the County. She stressed that, legal issues aside, it is important that the District maintain a good working relationship with the County.

Vice President Mandelkern said he believes the District's most important goal should be the preservation of capital rather than the rate of return. He said he would feel comfortable if a lower return and lower risk is achieved through investing outside of the County Pool. Vice President Mandelkern asked if the Local Agency Investment Fund (LAIF) could be another option. Executive Vice Chancellor Blackwood said the return on LAIF investments is running less than half that of the County Pool and uses the same investment rules as the County.

Trustee Holober asked if GICs are insured. Chancellor Galatolo they are collateralized and are typically managed by large and highly rated organizations. Trustee Holober asked if the initial interest rate is locked in. Chancellor Galatolo said it is. Trustee Holober asked if an Actively Managed Portfolio would be managed jointly by Western Asset Management and Blackrock or if each would manage half. Executive Vice Chancellor Blackwood said each would manage half. Trustee Holober asked what the track record of these companies is. Executive Vice Chancellor Blackwood said the District has been using them to invest some of its general fund money and they are also used for the Other

Pension Employee Benefits (OPEB) Trust which has been doing quite well. Vice President Mandelkern said he believes that using more than one firm is the correct strategy.

President Miljanich asked how the options presented would vary in terms of District staff time required. Executive Vice Chancellor Blackwood said using the County Pool would require the least staff time. A GIC is relatively simple and would not require much staff time. An Actively Managed Portfolio also would not require much staff time if the District engages a money manager such as Morgan Stanley.

After this discussion, Chancellor Galatolo said staff is seeking clarification from the Board on how to proceed with investing the bond money. Vice President Mandelkern said his position is clear that he is strongly in favor of considering capital preservation and safety over yield and, for this reason, he has concerns about using the County Pool. He said he is not as concerned about a GIC. He said he is not enthusiastic about an Actively Managed Portfolio but would feel more comfortable if it were diversified through several managers. Vice President Mandelkern said he would like to review the District's Investment Policy before a decision is made. Executive Vice Chancellor Blackwood said she will send a copy of the policy to him.

Trustee Mohr said he believes it would make sense to not use the County Pool. He said the other options seem to impose no greater risk.

President Miljanich said there seems to be consensus to not use the County Pool but uncertainty about the other options. Chancellor Galatolo suggested that use of the County Pool be eliminated as an option and that staff provide more information to the Board about GICs and Actively Managed Portfolios. He said that closing is scheduled for June 10, which is the same date as the next Board meeting. It was agreed that Executive Vice Chancellor Blackwood will share more information with the Board and that Board members will provide feedback individually. A recommendation will be presented for approval at the June 10th Board meeting and closing may be delayed until June 11 or 12.

COMMUNICATIONS

None

STATEMENTS FROM BOARD MEMBERS

Trustee Mohr said he attended a meeting of the North Fair Oaks Community Council. He attended the Kent Awards and congratulated Skyline College on winning an award for the Middle School Outreach program. Trustee Mohr noted that May is National Foster Care Month; he recognized the Guardian Scholars Program at Skyline College which is designed to meet the needs of foster youth and support their efforts to gain access to higher education. Trustee Mohr attended the Student Recognition Reception at Cañada College and a meeting of the San Bruno City Council. He also attended the Community College League of California's Annual Trustee Conference, where he enjoyed interesting presentations on the California Acceleration Project and the Common Assessment Initiative.

Student Trustee Bajwa said students are preparing for final exams and student governments at each of the Colleges are sponsoring de-stress activities.

Vice President Mandelkern apologized for missing the last Board meeting due to a flight delay. He said he attended the "SMAC Out Cancer" kickoff to the Swim Across America fundraiser at the San Mateo Athletic Club. He said Vice Chancellor Bauer was a generous donor and Chancellor Galatolo was at the top of the list of fundraisers. Vice President Mandelkern attended the HIP Housing luncheon and heard many comments regarding the District's contribution to affordable housing through the Cañada Vista and College Vista projects. He attended the retirement celebration for Bill Nack which was held in the Bayview Dining Room at College of San Mateo. He said there were kind remarks about the beauty of the facility and about the fact that the District consistently has had a Project Labor Agreement in place which benefits the workers in San Mateo County. Vice President Mandelkern attended the Kent Awards and congratulated Skyline College on its award. He said he was shocked and saddened at the passing of Richard Soyombo; he said Mr. Soyombo was an outstanding ambassador for the College.

Trustee Schwarz complimented students at Skyline College for their efforts to promote carpooling. She said she attended the Kent Awards and received a note from Jessica Lopez, TRiO Counselor at Skyline College, thanking the Board members for their attendance as the College received its award. Trustee Schwarz attended the Cañada College Research Conference at which students presented their original research projects. Cañada College student Sean Vallor was selected to present his work at the Honors Symposium at Stanford University and placed in the top five at that event. Trustee

Schwarz attended the District 25 Year Service Awards event and the open house for the newly opened Puente Project at Cañada College. She attended the second Trades Introduction Program (TIP) Completion Ceremony honoring the 20 graduates. She said there are more than 50 applications for the third class. She also attended the retirement celebration for Bill Nack and the Skyline College 2015 Classified Service Awards ceremony. Trustee Schwarz said she learned that the Child Development Center at Skyline College now has a program for infants and toddlers and she would like to learn more about this expansion. Vice President Perkins said the program was added as part of the Early Childhood Education Program and provides the ability for students to complete their internships. Chancellor Galatolo said staff will arrange a Board meeting at Skyline College which will include a tour of the Loma Chica Center.

President Miljanich said she has been asked to bring back discussion of District elections at a Board meeting and this will be on the agenda in the near future.

RECESS TO CLOSED SESSION

President Miljanich announced that during Closed Session, the Board will hold a conference with Agency Labor Negotiator Eugene Whitlock; the employee organization is AFT. The Board will also hold a conference with legal counsel regarding one case of anticipated litigation as noted on the printed agenda.

The Board recessed to Closed Session at 10:40 p.m. and reconvened to Open Session at 11:25 p.m.

CLOSED SESSION ACTIONS TAKEN

President Miljanich reported that at the Closed Session just concluded, the Board took no action.

ADJOURNMENT

It was moved by Trustee Schwarz and seconded by Trustee Mohr to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 11:26 p.m.

Submitted by

Ron Galatolo, Secretary

Approved and entered into the proceedings of the June 10, 2015 meeting.

Dave Mandelkern
Vice President-Clerk