

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
June 22, 2011, San Mateo, CA**

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

Board Members Present: President Richard Holober, Vice President-Clerk Dave Mandelkern, Trustees Helen Hausman, Patricia Miljanich, Karen Schwarz

Student Trustee Jointer was not in attendance due to a class conflict.

Others Present: Chancellor Ron Galatolo, Executive Vice Chancellor Jim Keller, Skyline College Vice President of Instruction Mike Williamson, College of San Mateo President Michael Claire, Cañada College President Tom Mohr, District Academic Senate President Diana Bennett

Pledge of Allegiance

DISCUSSION OF THE ORDER OF THE AGENDA

None

MINUTES

It was moved by Trustee Hausman and seconded by Trustee Miljanich to approve the minutes of the meeting of June 8, 2011. Trustee Schwarz asked that the minutes be amended to show that she abstained from approval of the minutes of the May 16, 2011 meeting as she was not present at that meeting. The motion, as amended, carried, all members voting "Aye."

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

Chancellor Galatolo thanked President Mohr, who is retiring as President of Cañada College, for his tremendous service. Chancellor Galatolo said President Mohr has been an advocate and leader for both Cañada and the District as a whole. President Mohr said he has observed how the Board of Trustees takes care of the District and its students. and works together in an extraordinary partnership with the Chancellor. He said it is the most fully functioning and caring board he has seen and it has been a privilege for him to work for this Board. He said he admires how the Board has worked with the public to rebuild the District and has carried this out in the midst of economic turmoil. President Mohr said Chancellor Galatolo is the most brilliant leader he has seen; he has kept the District in a good state of health and looking forward.

President Mohr thanked District staff, including Barbara Christensen, Jose Nuñez, Kathy Blackwood, Tom Bauer and Frank Vaskelis, who respond immediately and resolve problems whenever possible.

President Mohr said Cañada College is a treasure, serving a wide range of students and changing lives. Faculty and staff truly care about their students and the College has a reputation for quality of instruction and support. The administrative team is strong and can resolve almost any problem put before them. President Mohr said it has been a great pleasure serving as President and he will be forever grateful for the opportunity given to him. Chancellor Galatolo once again thanked President Mohr for his service and said that, as a friend and colleague, he will be sorely missed.

President Mohr introduced Kim Lopez, the new Dean of Enrollment Services at Cañada College.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

Jacqueline Smith, a Digital Arts student at College of San Mateo, said the potential sale of KCSM-TV concerns her. Ms. Smith attended College of San Mateo in the 1970s and came back when she was laid off from her job. With encouragement from Digital Media Professor Michelle Brown, she and other students wrote and produced several segments of "The Bay Today," a show which has been seen by millions of people. In the process, the students gained saleable skills. Ms. Smith said all of the campuses benefit from the presence of KCSM-TV and asked the Board to consider the students' voices when making their decision on the station.

NEW BUSINESS**APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (11-6-2A)**

It was moved by Trustee Schwarz and seconded by Trustee Hausman to approve the actions in Board Report No. 11-6-2A. The motion carried, all members voting "Aye."

APPROVAL OF CONSENT AGENDA

President Holober said the Consent Agenda consists of the following reports:

11-6-1CA	Acceptance of Gifts by the District
11-6-2CA	Ratification of March and April 2011 District Warrants
11-6-3CA	Adoption of Resolution No. 11-8 Establishing 2011-12 Budget Limits
11-6-4CA	Renewal of Agreement with County of San Mateo for Legal Services
11-6-5CA	Approval of Voluntary International Student Insurance Program, 2011-12
11-6-6CA	Renewal of Agreements with American Institute for Foreign Study (AIFS), 2011-12

It was moved by Trustee Hausman and seconded by Trustee Miljanich to approve all items on the Consent Agenda. The motion carried, all members voting "Aye."

Other Recommendations**CURRICULAR ADDITIONS AND DELETIONS – CAÑADA COLLEGE, COLLEGE OF SAN MATEO AND SKYLINE COLLEGE (11-6-2B)**

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve the additions and deletions as detailed in the report. Vice President Mandelkern said the Board's stated objective is to promote courses that are oriented toward transfer, career training, and basic skills. He questioned why courses which do not seem to fit into any of these categories are being added, such as courses in horticulture at College of San Mateo. He also noted that distance education courses in horticulture are being proposed and he questioned how this can be done without the use of greenhouses. Susan Estes, Vice President of Instruction at College of San Mateo, said the horticulture courses are deliberately designed to help students who are currently enrolled in the system to complete their courses in the 2011-12 academic year in anticipation of the possible discontinuation of the horticulture program. The offering of these courses will meet Title 5 regulations and Accreditation Commission for Community and Junior Colleges (ACCJC) standards. It is anticipated that the courses will be offered for only one year. President Holober said that if there is a recommendation to discontinue the horticulture program, and that recommendation is approved by the Board, he trusts that counseling will be available to explain to students what the future holds so that they do not embark on a program of study with a false sense of where the department is headed. President Claire said he is hoping that program recommendations will be brought to the Board in July, which would allow enough time to counsel students about programs that will no longer exist.

Vice President Mandelkern questioned the addition of the Television Producing Option in the Digital Media program, given the current Board discussions regarding KCSM-TV. President Claire said the Digital Media program has been completely redesigned. He said the broadcasting arm will not go away even if the station is sold and this course will be required with or without the presence of KCSM-TV.

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

ANNUAL REVIEW AND APPROVAL OF INSTRUCTIONAL MATERIAL FEES (11-6-3B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the fees as detailed in the report. Vice President Mandelkern said that, in light of recent news articles, he wants to verify that the District charges only for materials that students are allowed to retain and is not charging for materials to which students have only limited-time access. Chancellor Galatolo said the District has a clear understanding of the Education Code and Title 5 requirements and Chief Financial Officer Kathy Blackwood makes sure the requirements are enforced. Ms. Blackwood said the District does not consider access to online course material as an instructional material fee; this is the issue that was the subject of news reports at another college. After this discussion, the motion carried, all members voting "Aye."

RATIFICATION OF SUBSTANTIVE CHANGE PROPOSAL: “SAN MATEO PROGRAM” AT TIANHUA COLLEGE SHANGHAI NORMAL UNIVERSITY IN SHANGHAI, CHINA (11-6-4B)

It was moved by Trustee Schwarz and seconded by Trustee Hausman to ratify the Substantive Change Proposal as detailed in the report. Robin Richards, Vice President of Student Services at Cañada College, said that a “change in location” of courses is one of the criteria used by the ACCJC to determine whether a Substantive Change Proposal is required. On May 25, ACCJC confirmed that this criterion applies to the proposed program. The Substantive Change Proposal was hand delivered to the ACCJC by the June 3rd deadline. The Proposal will be reviewed by the Committee on Substantive Change and the Committee will provide feedback in July.

Trustee Schwarz complimented all who worked on the proposal, particularly considering the brief timeframe in which it had to be completed.

Trustee Hausman asked if the Chinese students coming to Cañada College will be tested in English. Vice President Richards said they will be tested in China prior to becoming eligible to participate in the program. Cañada students studying in Tianhua will have the opportunity to take either Cañada College’s or Tianhua College’s courses in Chinese. Trustee Hausman said this will be a wonderful opportunity for students from both Cañada and Tianhua. Trustee Miljanich agreed that the program will offer exciting opportunities.

Vice President Mandelkern said that at some point, there is a need to discuss the totality of the program and whether it makes sense. He said the District is still in a difficult budget situation and is being forced to make cuts to programs locally. He is concerned that the budget estimates show a contribution of approximately \$250,000 from Cañada College’s general fund for the startup of the program. Vice President Mandelkern said he understands the expectation that this money will be recouped and that the purpose of the program is to enroll more international students who will pay higher tuition and this will help pay for classes locally. He wants to make sure that the focus remains on this payback to the District in as short a time as possible. He said the District’s primary mission is the education of students in San Mateo County and he wants to make sure that revenue from this program would actually meet the goal of providing sections and seats for these students. Trustee Hausman said it was her impression during earlier discussions that financial viability was a given. Chancellor Galatolo said this issue is pivotal. He said the goal is to increase revenue which would allow for the increase in the number of domestic sections, thereby reducing the District’s reliance on State funding.

Vice President Mandelkern noted that part of the program plan is that Cañada College faculty would reside and teach in China. He asked if this appears to be an attractive proposition to faculty. President Mohr said that two meetings have been held with faculty representatives. Faculty are generally in favor of the idea but there are issues to be resolved around seniority, assignment and method of selection.

Vice President Mandelkern said that, if the Board approves this recommendation tonight, there are still more steps before the actual program will be approved. President Mohr said this is correct and that the first classes would not take place until fall of 2012. Chancellor Galatolo added that the only agreement in place currently is the agreement to plan. Trustee Miljanich said that much time and energy has been invested in the plan and it is hoped that the program will become a reality.

After this discussion, the motion carried, all members voting “Aye.”

APPROVAL OF COMMUNITY SERVICES CLASSES, FALL/WINTER 2011 – CAÑADA COLLEGE, COLLEGE OF SAN MATEO AND SKYLINE COLLEGE (11-6-5B)

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve the classes as detailed in the report. Vice President Mandelkern asked about the progress of moving classes that were eliminated into the Community Education program, as previously discussed. Lily Lau, Director of Community Education, said Community Education has been working with the three Colleges, has transferred some courses, and is continuing the attempt to create accessibility. After this discussion, the motion carried, all members voting “Aye.”

APPROVAL OF REVISIONS TO DISTRICT RULES AND REGULATIONS: CHAPTER 5 – FOUR POLICIES; CHAPTER 7 – FOUR POLICIES (11-6-101B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the revisions as detailed in the report. Regarding Policy 7.73, President Holober said he is concerned that timelines are not specified for each step in the grievance and appeal procedure. He said the policy specifies timelines on the part of students and should include timelines for all other involved parties as well. Jennifer Hughes, Vice President of Student Services at College of San

Mateo, said that timelines are provided in the College catalogs and in procedures at the College level and are the same at all of the Colleges. She said that the Accreditation Commission for Junior and Community Colleges (ACCJC) recommends that policies and procedures be separated. Chancellor Galatolo said the policy should contain either no specific timelines or should have timelines for all concerned parties. The Board agreed to remove the policy from consideration, to be modified and brought back to the Board at a later date.

Regarding Policy 7.61, Vice President Mandelkern said there was an issue at College of San Mateo concerning whether the exercise of authority by the student body president to allow or veto funds for activities was in conflict with the antidiscrimination section in Policy 7.60. Vice President Hughes said the student body president did veto requests for funding from two clubs. In accordance with the Constitution and Bylaws of the Associated Students, the president's veto appeared on a subsequent agenda for a Student Senate meeting for the Senate to reconsider. In this case, the Senate decided to override the president's vetoes. Vice President Hughes said her understanding is that the president's objection was to the amount of money being requested for the activities rather than the nature of the clubs; therefore, there was no violation of antidiscrimination rules. After this discussion, the motion to approve the revisions to all policies except Policy 7.73 carried, all members voting "Aye."

APPROVAL TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH STRATA INFORMATION GROUP (11-6-102B)

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

APPROVAL TO EXECUTE AN AGREEMENT WITH A THIRD PARTY SUPPLIER FOR PURCHASE OF NATURAL GAS – DISTRICTWIDE (11-6-103B)

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

APPROVAL OF AGREEMENT TOLLING STATUTE OF LIMITATIONS WITH CITIZENS FOR A GREEN SAN MATEO (11-6-104B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the agreement as detailed in the report. Barbara Christensen said the board report and attached mitigation measures are self-explanatory. She said staff have met with residents multiple times and have conducted home visits and campus tours, but no agreement has been reached on what would be appropriate mitigations. There is a time limit within which the residents can bring a legal action against the District and the tolling agreement would allow more time to continue to seek a resolution.

Trustee Miljanich questioned why an agreement has not been possible. She said the District, led by Ms. Christensen, has been successful in the past in working with neighbors in various locations throughout the District. For example, staff was very successful in working with neighbors of the Cañada Vista housing project. She asked what approach is being taken in this case and if there seem to be unreasonable expectations. Ms. Christensen said that different neighbors are affected differently and each of the neighbors has different expectations; and some neighbors are more reasonable than others. Some neighbors would like the District to plant 30-foot trees but this is not possible. The arborist retained by the District concluded that the ground condition is such that planting large trees would not be successful. The professional advice provided to the District is not satisfactory to some neighbors.

Trustee Miljanich asked about the potential fire hazard presented by the trees that have been removed. Ms. Christensen said that 48% of the removal was because of wild fire management and 30% because the trees were diseased or dying. She said that no tree maintenance had been done for many years and the District is attempting to "catch up" on deferred maintenance and improve the campus environment.

Vice President Mandelkern said he is a resident of Hillsborough and is sensitive to residents' concerns. He said the District has a responsibility as a property owner to ensure the safety of the general population and fire hazard is a major concern. Vice President Mandelkern said one issue raised by the neighbors is the lights associated with Building 10. He said this issue is unrelated to the trees and it seems that different issues are being mixed together. He said he does not believe that all of the concerns of the community can be addressed in one package.

Vice President Mandelkern noted that the District has a good track record of mitigating concerns of neighbors. He said the list of mitigations is extensive and asked if the District and neighbors are moving toward a resolution or if they are at an impasse. Ms. Christensen said the mitigations listed in the attachment to the report are what the District is prepared to

offer. She said unknown issues may arise after the project is finished and the District will be willing to address any new concerns at that time.

Tav Rotondale, a member of the Citizens for a Green San Mateo group, said that more than 200 mature trees have been removed; some were removed only to enhance views, including mature oak trees. He said the entire project includes the removal of at least 300 trees and the general intent is to remove all eucalyptus trees on campus, which would be on the order of 800 trees. He said redwood trees are the most fire resistant, grow fast and are beautiful. He added that a drip system is sufficient to maintain redwoods. Oak trees, as proposed by the District, grow very slowly; meanwhile, neighbors are forced to look up at hundreds of lights. Mr. Rotondale said it is not true that some neighbors are unreasonable; they are trying to remain non-adversarial and bring creative solutions to the problem. He said they have spoken with arborists who believe clearing brush and trimming branches is sometimes sufficient in terms of removing the fire hazard. Mr. Rotondale added that “replacement” trees that are not planted in the same spot as those that were removed are not really replacements and do not come near providing a solution.

Trustee Miljanich said that, with all due respect, it is difficult to hear someone state that the reports, background information and advice being received by the Board should somehow be discounted. She said this indicates to her that an agreement is not close. She does not believe the allegation that the District does not know what it is doing and is not doing what it said it would; this has not been her experience with this District in the past. She said she is inclined to vote against the tolling agreement.

Trustee Schwarz said she respects the right of people to express their concerns and try to correct problems. However, this dialog has been occurring since February and seems to go on and on, with new concerns being added. Trustee Schwarz said she was told by an arborist that the only effective way to handle eucalyptus trees is to remove them and this is the direction the District was going in terms of fire safety. She said that the District has made concessions on lighting and is open to discussing other concerns that may arise after the project is completed. Therefore, she is inclined to vote against the tolling agreement.

Vice President Mandelkern thanked Mr. Rotondale for expressing his concerns. He asked for clarification on the comment that trees were being removed for the purpose of creating views. Ms. Christensen said 11% of the trees removed were removed for the purpose of opening vistas, particularly in the area where the “overlook” is to be constructed as part of the North Gateways project. Chancellor Galatolo said no oak trees were removed. He said the District is attempting to return the area to its indigenous state and neither eucalyptus nor redwood trees are native. He said it is important to know that the District has listened to ideas brought by the neighbors, resulting in some modifications to the plan, including the addition of a greenbelt and turning off of lights in the outer parking lot after the first few weeks of classes each term. Chancellor Galatolo said the District’s objective is to be friendly neighbors while also being attentive to students’ needs. Trustee Schwarz agreed, stating that the safety of students is the primary concern.

Trustee Miljanich said that, based on past experience, she is confident that the District will do everything it reasonably can to mitigate the impact on neighbors. She said it does not make sense to her to extend the time to have these conversations. Trustee Miljanich said she believes sufficient time has been given and that the District must rely on the broad and fair range of expert opinions.

President Holoher asked if the list of mitigations on the attachment to the board report has been offered by the District and has been presented to the group of residents. Ms. Christensen said it has, and has been modified several times in response to neighbors’ input. President Holoher asked if the District will be bound by this list of mitigation measures if the issue ends up in litigation. Ms. Christensen said it will not. President Holoher noted that, theoretically, a judge could grant the neighbors more or less than is on the list. Chancellor Galatolo added that no mitigation measures or agreements would go into effect unless approved by the Board.

Trustee Hausman asked what position the District will be in if the tolling agreement is not approved. President Holoher said that Citizens for a Green San Mateo might file a lawsuit against the District before the legal time to sue runs out. Vice President Mandelkern asked what the cost would be for the proposed mitigations offered by the District. Ms. Christensen said it would cost \$60,000-\$75,000 to purchase, plant and irrigate the trees that are proposed. These trees would need irrigation only for a short time; redwood trees, however, would require long-term irrigation. Vice President Mandelkern asked if water lines for irrigation are in place. Ms. Christensen said there are very old, underground lines that may or may not be viable. Trustee Schwarz asked about the cost of staff time beyond the original budget. Ms.

Christensen estimated that 70 to 100 hours of staff time have been involved. Vice Chancellor Nuñez added that there have also been additional costs for the arborist and other consultants, totaling more than \$65,000.

Vice President Mandelkern said there are generally two main reasons to use a tolling agreement: (1) there is movement toward finding satisfactory middle ground, or (2) external events are occurring which will impact the discussions. In either case, there is agreement that a tolling agreement would be beneficial. He said he does not sense that the rationale is being met in this case. He said that a competent team, led by Ms. Christensen, has tried to reach an agreement. They have been successful in the past in doing so, and it concerns him that in this case the efforts have not been successful.

Trustee Miljanich said the District will continue to work to improve situations to the extent possible and reasonable, but the Board must always be mindful to spend the public's money responsibly.

After this discussion, the motion to approve the agreement tolling the statute of limitations failed, all members voting "No."

EDISON PARKING LOT DESIGN-BUILD PROJECT (11-6-105B)

Linda da Silva, Executive Director of Construction Planning, said this is a proposal to demolish Building 20, the greenhouse and lath house at College of San Mateo and construct a parking lot with gardens to the north, south and west. On May 15, a Request for Proposal (RFP) was issued to four design-builders. Subsequently, confidential meetings were held with the design-builders; this is standard operating procedure and allows the opportunity for the design-builders to ask questions, tour the sites and receive insight from District staff.

The RFP included a landscape program which was developed by Lin Bowie in the Horticulture Department and Dr. Tania Beliz in the Biology Department at College of San Mateo. The program would create eight ecosystem zones on the sloped area. Ms. Bowie and Dr. Beliz also provided a description of the species that would be included in each ecosystem and in the north garden area. This landscape program would provide an enhanced, rehabilitated landscape to support the learning environment.

Four proposals were received on June 13. All of the proposals were very comprehensive. Ms. da Silva exhibited graphics showing some of the areas as they currently exist, along with illustrations of proposed changes from the design-builders. She displayed a graphic showing one of the design-builder's design superimposed on the existing area. This illustrated that there would not be as great a loss of landscaped areas as has been perceived by some people. Only 13,000 square feet out of 50,000 square feet of landscaped area is being recommended for removal.

There were four state criteria against which the proposals were evaluated:

1. Price (worth 40%): three of the proposals were clustered within 2.5% of each other and the fourth proposal was 34% higher. The pricing of the three which were close in price correlates with current cost estimates as well as cost comparison to similar work at the District in the last two years. The three proposals are in alignment with budgetary expectations.
2. Maximize Parking Spaces (worth 15%): the number of parking spaces in the four proposals ranged from 160 to 188.
3. Design Innovation (worth 15%): all of the proposals were focused toward sustainability and included storm water filtration, LED lighting, species preservation, materials reuse, digital irrigation control, and tree preservation. One of the proposals included an additive alternate for pervious concrete, which would result in an additional 20% of the contract value. The geotechnical engineer's opinion is that the subsurface conditions are not favorable for pervious pavement.
4. Project Management Plan (worth 30%): plans include site logistics, key personnel, quality plan, safety plan, and schedule. All of the proposals included high quality plans and were similar to each other.

Ms. da Silva said staff is aware that a lawsuit has been filed and, consequently, there could be a schedule delay. Each of the proposals assumed that work would begin immediately and some proposed to be finished as early as the end of October, providing the new parking spaces prior to the shutdown of the Galileo parking lot for the North Gateway project. Extending into the rainy season would cause further delays, not only for the contractor but for soft costs such as inspectors, geotechnical engineers, special testing agencies and construction managers. A 90 day delay would result in a 10% addition to the proposals received. Extending the project into the rainy season with saturated soils, requiring either cement or lime treatment, would result in another 7% addition. None of these figures includes the additional soft costs mentioned above. The benefit of having the new parking spaces when they are needed would also be lost.

Ms. da Silva said the hazardous materials abatement has now been put on hold. The two design-builders who submitted the most competitive proposals have been asked to bring their best and final proposals forward and these will be received by next week. However, the timing of the contract award is uncertain and, therefore, a recommendation is not being brought to the Board at tonight's meeting.

Trustee Miljanich asked about the cost to preserve the dawn redwood tree. Chancellor Galatolo said it will cost between \$25,000 and \$30,000. Trustee Miljanich asked if the greenery that currently exists in the outlying areas, as shown on the superimposed image, will be preserved. Vice Chancellor José Nuñez said these are the existing sloped areas that will be preserved for the landscape program developed by faculty as part of their learning environment.

Vice President Mandelkern asked if the new retaining wall, as shown on one of the graphics, is included in one of the three top proposals. Chancellor Galatolo said it is part of the lowest bidder's proposal. Vice President Mandelkern asked if the design-builders have been briefed on the litigation and are sensitive to the fact that this is a more controversial project than other construction projects and may be subject to greater scrutiny. Ms. da Silva said they are all aware of recent developments and the two design-builders who are bringing back final proposals will consider these issues.

Vice President Mandelkern said it is his opinion that the project must stay within the original budget and that, as costs mount due to delays, cuts will have to be made to the project. He said that all parties should understand that there are consequences to delaying the project.

Vice President Mandelkern asked what the options are, outside of demolition, for buildings that have no more useful service life. Chancellor Galatolo said that if the District cannot demolish Building 20 and associated buildings, a chain link fence will surround the building and the windows will be covered with plywood. He said staff would not recommend to the Board that Building 20 be rehabilitated because it would not be cost-effective.

Trustee Schwarz said that the Board's direction was to stay within the proposed budget and she agrees that if costs go up, cuts must be made to the project. Trustee Schwarz said she is amazed at the list of plants to be added in the landscape program created by faculty. She said there was past discussion about the expectation that the garden would be maintained by faculty and other interested parties rather than by maintenance staff who do not have the time to do so. President Claire said it is his expectation that faculty would be responsible for the maintenance much as they are for the maintenance of their laboratories.

President Holober said he does not believe that the extensive list of proposed species to be added is a matter for the Board to approve; rather, this should be handled at the faculty and staff level. Vice President Mandelkern agreed, stating that this is similar to upholstery or carpet choices, which the Board does not approve.

Trustee Miljanich said that the changes from the original project plan present a prime example that the willingness to engage in collaborative discussion can result in better ideas and better plans. Chancellor Galatolo said this is an excellent point. For example, the original plan was to use dirt from the outer parking lots to fill in the entire area, bringing it at grade with the campus and providing easier access. However, as the plan was being vetted, faculty and staff pointed out that the berms were important instructional spaces and the plan was changed due to this input. Vice President Mandelkern agreed that this is a great example of mitigation and said he does not understand what alternative outcome is desired.

APPROVAL OF DISTRICT RESPONSE TO THE GRAND JURY REPORT ON "BOND MEASURE A AND THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT" (11-6-106B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the District response as detailed in the report. Chancellor Galatolo said he believes this is an excellent response. He said the grand jury report is negligible in terms of the issues raised and is more in line with the two previous commendations received by the District on its construction practices. President Holober suggested changing "private athletic club" to "fee-based athletic facility open to the public" and deleting the word "private" in the last sentence of the first paragraph of the response. All Board members agreed and, with these change, the motion carried, all members voting "Aye."

APPROVAL OF AGREEMENT FOR COMPENSATION TO COUNTY OF SAN MATEO FOR COLLECTION OF SPECIAL TAXES (11-6-107B)

It was moved by Trustee Hausman and seconded by Trustee Miljanich to approve the agreement as detailed in the report. President Holober noted that if the District's special taxes are levied on more than 200,000 parcels in a fiscal year, then

the aggregate amount of fees to be paid shall not exceed \$85,000. He asked what the effect would be if the number went below 200,000 because of senior exemptions. Ms. Christensen said the contract is based on the number of parcels that could be taxed so there would be no effect. After this discussion, the motion carried, all members voting "Aye."

ADOPTION OF THE 2011-12 TENTATIVE BUDGET (11-6-108B)

It was moved by Trustee Hausman and seconded by Trustee Miljanich to approve adoption of the Tentative Budget as detailed in the report. Chief Financial Officer Kathy Blackwood said there is not yet a State budget. When the District's tentative budget was built, staff used assumptions based on the CCLC's scenarios. Staff used the worst case scenario but assumed it would happen over two years. The projections are for a 14% reduction over two years, with 10% in 2011-12 and 4% in 2012-13. Some of the 2011-12 cuts would be mitigated using some one-time monies that are available. The main issue for the District is that, without a budget, the State cannot release funds to schools for anything, including apportionments and Cal Grants. A Tax and Revenue Anticipation Note (TRAN) was previously brought to the Board and approved in order to help the District get through until its funding from the State is received.

Vice President Mandelkern said the "Site Allocation with Benefits" category under Expenditures shows an increase of approximately \$4 million over the previous year and he asked if this includes step and column increases at the sites as well as the increased cost of benefits. He also asked what is included in the "Salary Commitment" expense category which shows an increase of nearly \$900,000 over the previous year. Ms. Blackwood said the District used to pool all of the regulatory and health and welfare benefits in Central Services but has been slowly moving them to the sites so that when the sites have salaries to account for, they will have the benefits as well. She said step and column increases, which will be allocated to the sites when position control is finalized, comprise the "Salary Commitment" category. She said the "Site Allocation with Benefits" has increased because the PERS rate has gone up, along with the cost of health and welfare benefits. It also includes a small amount of growth that was allocated in this year; 2.21% growth was received in 2010-11 and is allocated over a three year period. Chancellor Galatolo noted that an institution can have degradation in expenditure flow simply by doing business as usual.

Trustee Schwarz said she believes expenses generally increase by approximately 1% if no other changes are made. Ms. Blackwood said that, excluding inflation, there will be a 1% increase to hold steady on salary and benefits without any other changes. This 1% does not include changes in utilities, insurance, etc. The District has been trying to cut costs everywhere possible. Utilities usage has increased because of the added square footage, but energy usage has also become more efficient. Executive Vice Chancellor Keller said that even though insurance rates have been holding steady or decreasing, the total insurance costs have increased because property insurance rates are based on the value of buildings and that value has increased due to new construction.

Vice President Mandelkern asked what the additional cost is of borrowing funds to bridge the gap in State funding. Ms. Blackwood said that for the TRAN, it will depend on the cash flow and what happens with the State budget. In good years, the District can make a profit because it can borrow at a lesser rate than it can invest. If this becomes possible this year, the District will net a little over \$100,000; if not, there may be a cost instead.

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

ACCEPTANCE OF DISTRICT ACTUARIAL STUDY (11-6-109B)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to accept the Actuarial Study as detailed in the report. The motion carried, all members voting "Aye."

INFORMATION REPORTS

DISTRICT FINANCIAL SUMMARY FOR THE QUARTER ENDING MARCH 31, 2011 (11-6-3C)

Vice President Mandelkern said the report on investments shows the District still has approximately \$13 million in the Local Agency Investment Fund (LAIF) and approximately \$17 million in the County Pool. He noted that there was discussion at a previous Board meeting about increasing the amount that can be invested in LAIF. Ms. Blackwood said that, based on the previous discussion, staff will be bringing a recommendation for revisions to Board policy on investing that would allow more to be invested in LAIF.

THIRD QUARTER REPORT OF AUXILIARY OPERATIONS, 2010-11

The Board accepted the report without questions or comments.

INFORMATION REPORT ON CALIFORNIA ASSEMBLY BILL 515 (11-6-5C)

President Holober said that since the last Board meeting, he has received more information on this bill, including letters of opposition from the San Jose-Evergreen and San Diego Community College Districts. The bill has passed the Assembly and is pending in the Senate Education Committee. It has the support of the CCLC and the Santa Monica Community College District, which is a sponsor of the bill.

Mr. Kaplan said it is his understanding that although the CCLC initially was in favor of the bill, they realize that much controversy has been created and they will now wait to see how the discussion unfolds and what resolutions are passed by college boards. Mr. Kaplan said that the California Federation of Teachers and several community college districts oppose the bill. AFT Local 1493 does not support the bill in its original form or with its subsequent amendments.

AFT 1493 believes that the bill denies access to low-income students, while it would promote double standards in the distribution of district resources for students enrolled in regular sections and for students enrolled in extension courses. The imposition of special fees for enhanced access to courses would not advance educational opportunities for the core community college student population and would promote further class-based inequities. The open-ended provisions of the bill would allow imposition of fees at any level, thereby potentially screening out from extension courses all except the affluent and those receiving financial aid. To the extent that some students qualifying for financial aid would use those taxpayer subsidies to enroll in for-profit extension courses, the bill would take resources away from the regular instructional program in which the monies would otherwise be infused.

Trustee Hausman said it sounds like there are many negatives to the bill and she does not believe the Board should support it.

Trustee Miljanich said it is challenging to figure out what to do about high-cost programs and a solution should be found that will not have the negative impacts that this bill could have.

Vice President Mandelkern said he supports the statement that community colleges should not be turned into for-profit education centers. However, the bill summary states that the fees will not exceed the cost of the courses, in which case there would be no profit.

Vice President Mandelkern asked what the difference is between the proposed extension courses and what the District offers as Community Education courses. Chancellor Galatolo said the difference is that the extension courses would be offered for credit. Trustee Miljanich said another difference is that extension courses could consist of a series of courses in a particular specialty area, such as dental hygiene. Chancellor Galatolo said dental hygiene is an example of where the concept of AB 515 makes sense in certain limited situations, even though the bill fails on a number of levels. He said the dental hygiene program was put on hiatus because the District cannot afford it. It now costs approximately \$15,000 to educate a student in the program and the apportionment from the State is just under \$5,000. If students were able to pay the differential, the District could have a program that works and students would pay far less than what they are charged by predatory, for-profit institutions. In addition, students would be entitled to financial aid if they qualified. He said that high-cost programs will not work as long as there is resistance by the legislature and governor to pay for them.

Vice President Mandelkern said he agrees it is important to seek alternatives to predatory private institutions, at which students accrue mounting debt and are granted degrees of questionable value. However, he shares concern about this bill and its potential to damage the system rather than make it better.

Trustee Schwarz said she would like to see the dental hygiene program reinstated in order to offer opportunities to students. Noting that the District already has a nursing program, she asked if this bill could help to make existing programs even better. Chancellor Galatolo said there is concern that extension courses would supplant existing courses. He said that in certain cases, they could save courses in programs that are having to be cut because the District cannot afford them.

Trustee Schwarz said another bill aimed at helping with high-cost programs was mentioned at an earlier time. Chancellor Galatolo said there have been a number of bills through the years, but none has been successful. He said that AB 515 was a good idea originally but in its current form could open floodgates and cause colleges to lose control. Trustee Miljanich said there are aspects of this bill that concern her greatly, centered around values and expectations.

President Holober said he usually thinks of extension courses as those which are offered off-site and which are not for regularly enrolled students. He asked if there is a definition of what constitutes extension courses. Chancellor Galatolo said that while he thinks of extension courses much the same as President Holober, he believes the meaning of the term as used in AB 515 is far different.

President Holober said that for high-cost programs such as dental hygiene and nursing, there are State-imposed faculty-to-student ratios. He said he does not object to these ratios if they are needed for safety and other reasons, but the State should then provide funding to cover the cost of the regulations.

President Holober said AB 515 is opposed by several community college districts, along with the State Academic Senate, California School Employees and California Federation of Teachers. In the spirit of being on the same side regarding the concept of fairness, equity and access to community colleges, President Holober said he would support the Board going on record as opposing AB 515 and submitting a letter to that effect. Trustee Schwarz said she would like the letter to include the fact that, while the Board opposes the bill, it supports the need to improve funding for high-cost programs. The Board agreed unanimously and Chancellor Galatolo said staff will prepare the letter.

STATEMENTS FROM BOARD MEMBERS

Trustee Miljanich said she will miss President Mohr and his wise and thoughtful guidance to the Board. She said the level of support President Mohr had from people at Cañada College and at the District is a sign of an inspirational leader. She hopes to have continued opportunities to interact with President Mohr in the community.

Trustee Schwarz said she first met President Mohr when he was the principal of Westmoor High School and she was active in her community. She is thankful for having had the opportunity to work with President Mohr for the last few years and is grateful to him for giving his time. Trustee Schwarz said she understands that President Mohr will join the Foundation Board and, as such, their paths will continue to cross.

Trustee Schwarz attended the Project Read jail graduation ceremony yesterday. The program graduated 13 inmates who took Cañada College classes and now tutor other inmates in literacy. The graduates expressed their gratitude to Tutor Trainers Jane Weidman and Pat Benner and all of the graduates said they intend to “pay it forward.”

Trustee Hausman said she has known and worked with President Mohr for many years. She said that observing his work at Cañada has been a wonder and he deserves every accolade he is receiving. She said President Mohr is an understated man whose talent is evident.

Trustee Hausman attended the commencement ceremony at College of San Mateo, at which Assemblyman Jerry Hill gave the commencement address. She also celebrated two family graduations, as her grandson graduated from Menlo-Atherton High School and her granddaughter from the University of California, Santa Cruz.

Vice President Mandelkern attended the commencement ceremony at Skyline College and was impressed by the enthusiasm of the graduates and their families. He said the last couple of weeks have been difficult because of negative comments in the media from people who wish the Board would act differently. Vice President Mandelkern said that all Board members are trying to do the best they can for the students of San Mateo County and that attending commencement ceremonies and seeing what students have been able to achieve makes it seem worthwhile to continue to do what they can for the community.

Vice President Mandelkern said he first met President Mohr when he was the Superintendent of the San Mateo Union High School District. He said the District was fortunate to have President Mohr step in at Cañada College and he has exceeded expectations in every way. Vice President Mandelkern said he will miss President Mohr and that the District owes him a debt of gratitude.

President Holober said that when President Mohr came to Cañada College, he did a remarkable job of creating a sense of teamwork that was badly needed. He said it is clear from administrators, faculty, staff and students that the institution has been transformed for the better under his leadership. He thanked President Mohr for making Cañada a successful College and creating a positive spirit.

President Holober enjoyed attending the commencement ceremonies at Skyline College and Cañada College. He also attended the meeting of the Little Hoover Commission in Sacramento today, which was attended by 12 community

college trustees. The Commission chair first asked participants how they felt about Governor Brown's idea that funding should be based on how many students complete a course. The idea was not well received by the trustees. Generalized discussion followed, focused on how to make things better for community colleges, recognizing the lack of State funding. President Holober did not sense that there were conclusions or any specific direction.

COMMUNICATIONS

President Holober said the Board received an email regarding the status of KCSM and a second email regarding the Building 20 Complex at College of San Mateo.

RECESS TO CLOSED SESSION

President Holober announced that during Closed Session, the Board will consider the personnel items listed as 1-A, 1-B, 1-C and 1-D on the printed agenda. The Board will also hold a conference with legal counsel regarding one case of potential litigation.

The Board recessed to Closed Session at 9:20 p.m. and reconvened to Open Session at 10:58 p.m.

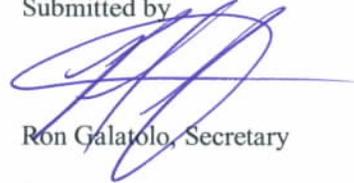
CLOSED SESSION ACTIONS TAKEN

President Holober announced that at the Closed Session just concluded, the Board approved the personnel actions listed as 1-A, 1-B, 1-C and 1D on the printed agenda.

ADJOURNMENT

It was moved by Trustee Schwarz and seconded by Trustee Hausman to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 11:00 p.m.

Submitted by



Ron Galatolo, Secretary

Approved and entered into the proceedings of the July 13, 2011 meeting.



Dave Mandelkern, Vice President-Clerk