

Board of Trustees
Minutes of the Regular Meeting
Napier Campus
December 6, 2016

CALL TO ORDER

Chair Tomasini called the Regular Meeting of the Lake Michigan College Board of Trustees to order at 6:05 p.m. The meeting opened with the Pledge of Allegiance.

ROLL CALL

Present: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry Mr. Bergan, Ms. Johnson

Absent: None

SETTING OF THE AGENDA

Adding item G) Major Capital Projects Policy and item H) President Search Committee Recommendation

APPROVAL OF MINUTES

The minutes of the October 25, 2016 Regular Board Meeting were accepted as presented.

PETITIONS AND COMMUNICATIONS FROM THE FLOOR

None

PRESIDENT'S REPORT

Ms. Kelli Hahn along with Ms. Lisa VanDeWeert, auditor, Rehmann presented the 2015-2016 financial statement and the grant activity audits. Ms. VanDeWeert reported on a successful year ended June 30, 2016 with an unmodified opinion, and the grant audit procedures had no findings. There were no material internal control weakness or audit adjustments, and the federal aid audit had an unmodified clean opinion.

ACTION

It was recommended that the receipt of the financial statement and the grant activity audit reports be acknowledged by the Lake Michigan College Board of Trustees.

MOTION by Ms. Truesdell, with support by Dr. Lindley to accept receipt of the financial statement and the grant activity audit reports as presented.

ROLL CALL VOTE

Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini,
Dr. Lindley, Mr. Curry, Ms. Johnson, Mr.
Bergan

Nays: None

Absent: None

APPROVED

Millage Update

Dr. Harrison recognized the millage committee; Ms. Anne Erdman, Ms. Kelli Hahn, Ms. Candice Elders, and Ms. Mary Klemm, and Friends of LMC; Ms. Joan Smith, Mr. Bob Burch, and Ms. Cindy Ruess and presented them with gifts from the College as well as a personal gift: Lake Michigan College Challenge coin.

Ms. Ruess thanked the College for the opportunity to help with the millage and to give back by doing something good for the community. Ms. Smith thanked the College and applauded the team effort. Mr. Burch stated it was truly a privilege to serve as chair, get the winning votes, and to be a part of making it all happen.

Ms. Tomasini thanked the group on behalf of the Board for all the heavy lifting they did. She expressed how she experienced many positive encounters from the community in regards to the millage.

DEPARTMENT REPORTS

Regional Campuses and K-12 Partnerships

Ms. Craig reported on the busy month of October with students registering for two busy semesters at once. Dual credit enrollment in high schools are up. Also registering 2nd semester of Berrien early middle college students.

Student Services

Mr. Schaffer gave an update on the women's volleyball team. He also stated that spring enrollment is well ahead compared to last year, and Beckwith Housing is at capacity for spring.

Academic Services

Dr. Kellogg reported on the 8th annual chili cook-off which included 34 teams.

Comments

Ms. Truesdell thanked Chef Amado and the culinary students for the delicious chocolates they shared with the Board at their last meeting.

NEW BUSINESS

Capital Outlay Grant Professional Services Selection

Lake Michigan College recently received a State of Michigan capital outlay grant for renovation of the College's Napier Academic building. The College has conducted a search for Professional Services. A recommendation will be made to the Board of Trustees for consideration at tonight's meeting.

Capital Outlay Grant Professional Services Selection

The College is nearing the end of its professional services search for the Napier Academic Capital Outlay project. Prior to embarking on this process, the College reviewed it with the State of Michigan to ensure we were meeting their expectations for a thorough and data driven selection process. The process entailed a search of Midwest Architectural/Engineering firms and resulted in 15 firms responding to a Request for Information (RFI). The RFI's were reviewed and ranked with the top 10 firms then receiving a Request for Proposal (RFP). The RFP's were reviewed, with proposals ranging in fees from \$1,587,100 to \$883,666.

Finalist Interviews

The top 4 ranked firms participated in oral interviews on November 28, 2016. All four firms were reviewed with our State Project Director, who saw no issues with any of the four firms. The Review Committee scored the firms as follows:

1. Stantec; Berkley MI;	\$1,109,000
2. Fishbeck, Thompson, Carr and Huber; Grand Rapids MI;	\$943,950
3. TMP Architecture; Portage MI;	\$894,810
4. 180 Design; Farmington Hills MI;	\$883,666

Stantec

Three of the finalist four firms are full service firms, with TMP Architecture being the exception. The Review Committee met with the team that would be assigned to our project. The recommended firm, Stantec, clearly was the most "solid" firm with the following of particular interest:

- Focused on education
- Have worked with 17 Michigan community colleges
- 20+ State of Michigan Capital Outlay Projects (Principal in Charge – 14; Senior Programmer/Planner – 15)
- 86% work is renovation, mostly for academic buildings
- Ranked #1 among top 300 A/E firms by *Building Design + Construction* for 2016
- Principal in Charge and Programmer/Planner were leads on LMC's One-Stop design and construction
- Concentrates on high performing architecture, not just wow factor
- Multiple tools to track budget
- Concentrates on upfront planning
- Futuristic thinking:
 - Prepares students for technology they will find in the workforce
 - Designs places for diverse learning styles
- Dedicates a portion of annual income for research and development to benchmark academic spaces across country
- Experience in altering harsh-looking exterior and interior of facilities

- Senior Mechanical Engineer assigned to project to assist College in prioritizing energy choices
- Included substantial hours to provide construction administration

Recommendation

1. The Review Committee recommends that the Administration negotiate with Stantec to add the Sextant Group for technology visioning and design and to add furnishing specifications to scope of work.
2. The College Administration recommends to the Lake Michigan College Board of Trustees that they authorize the College Administration to validate scope of work with Stantec of Berkley, Michigan and negotiate a final not-to-exceed fee including technology and furnishings design work.

MOTION by Dr. Lindley, with support by Ms. Johnson, to accept the Review Committee’s recommendation that the Administration negotiate with Stantec to add the Sextant Group for technology visioning and design and to add furnishing specifications to scope of work.

And to authorize the College Administration to validate scope of work with Stantec of Berkley, Michigan and negotiate a final not-to-exceed fee including technology and furnishings design work.

ROLL CALL VOTE

Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry, Ms. Johnson, Mr. Bergan

Nays: None

Absent: None

APPROVED

Lake Michigan College Board of Trustees Resolution
Declaring Intent to Reimburse Expenditures from Proceeds of Tax-Exempt Bonds or Other
Tax-Exempt Debt Instruments

WHEREAS, Lake Michigan College, State of Michigan (the "College"), determines it to be necessary to acquire, construct and equip various capital improvements, together with any appurtenances and attachments thereto and any related site acquisition or site improvements, including, but not limited to: (i) renovate the Napier Avenue Campus Academic Building, and (ii) construct a Wine and Culinary Education Center (the "Improvements");

WHEREAS, all of the expenditures for the Improvements are expected to be funded by the College on a long-term basis in part with the proceeds of debt to be issued by the College in the aggregate principal amount not to exceed \$10,000,000, which debt will be issued in expectation of or in reimbursement of the expenditures; and

WHEREAS, the Internal Revenue Service has issued Treasury Regulation § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, governing proceeds of debt used for reimbursement, pursuant to which the College must declare official intent to reimburse expenditures with proceeds of such debt before making the expenditures.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The College may incur expenditures for the Improvements prior to receipt of proceeds of the debt, and may advance moneys for that purpose from the general fund, capital fund, and applicable enterprise funds or other funds available to the College, to be reimbursed from proceeds of the debt when available. The Chief Financial Officer or her designee shall keep a specific record of all such expenditures.

2. The College hereby makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

a. The College reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of debt to be incurred by the College.

b. The expenditures described in this paragraph (b) are to pay certain costs associated with the Improvements which were or will be paid subsequent to sixty (60) days prior to the date hereof or which will be paid prior to the issuance of the debt from the general fund, capital fund, and applicable enterprise funds or other funds available to the College.

c. As of the date hereof, the maximum principal amount of debt expected to be issued for reimbursement purposes, including reimbursement of debt issuance costs, is \$10,000,000, which debt may be issued in one or more series and/or together with debt for other purposes.

d. A reimbursement allocation of the expenditures described in paragraph (b) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Improvements

are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the College's use of the proceeds of the debt to be issued for the Improvements to reimburse the College for a capital expenditure made pursuant to this Resolution.

e. The expenditures for the Improvements are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

f. No proceeds of the borrowing paid to the College in reimbursement pursuant to this Resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in paragraph (4) above.

3. This resolution is adopted to indicate the intent of the College only, and does not bind the College to acquire and construct any improvements or to issue any obligations of the College with respect thereto.

4. All resolutions and parts of resolutions, to the extent each conflicts with the foregoing, shall be and the same are hereby rescinded.

MOTION by Mr. Bergan, with support by Ms. Truesdell, to accept the Resolution Declaring Intent to Reimburse Expenditures from Proceeds of Tax-Exempt Bonds or other Tax-Exempt Debt Instruments as presented.

ROLL CALL VOTE

Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry, Ms. Johnson, Mr. Bergan

Nays: None

Absent: None

APPROVED

Be it resolved that the Lake Michigan College Board of Trustees accept the Resolution Declaring Intent to Reimburse Expenditures from Proceeds of Tax-Exempt Bonds or other Tax-Exempt Debt Instruments as presented. Adopted this day, Tuesday, December 6, 2016.



Debra Johnson
Secretary, Board of Trustees

Michigan Consolidated Election Act Signature Authorization Resolution

The Michigan Consolidated Election Act requires that school districts and community colleges have letters of agreement with the appropriate governmental agency that will oversee each school district or community college's election.

ACTION:

It was recommended that the Lake Michigan College Board of Trustees authorize Dr. Robert P. Harrison, President Emeritus to sign on behalf of the College all necessary and appropriate contracts and agreements pertaining to the Michigan Consolidated Election Act.

MOTION by Mr. Curry, with support by Mr. Bergan, to authorize Dr. Robert P. Harrison, President Emeritus to sign on behalf of the College all necessary and appropriate contracts and agreements pertaining to the Michigan Consolidated Election Act.

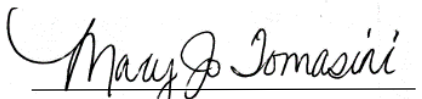
ROLL CALL VOTE


Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry, Ms. Johnson, Mr. Bergan

Nays: None

Absent: None

Be it resolved that the Lake Michigan College Board of Trustees authorizes Dr. Robert P. Harrison, President Emeritus to sign on behalf of the College all necessary and appropriate contracts and agreements pertaining to the Michigan Consolidated Election Act adopted this day, Tuesday, December 6, 2016.


Mary Jo Tomasini, Board Chair


Debra Johnson, Board Secretary

Residency Policy for President

The proposed Residency Requirement Policy is intended to establish guidelines for the residency of the College President of Lake Michigan College (the College).

ACTION:

It was recommended that the Lake Michigan College Board of Trustees approve the proposed Residency Requirement Policy intended to establish guidelines for the residency of the College President of Lake Michigan College (the College) as presented.

**RESOLUTION OF THE BOARD OF TRUSTEES OF
LAKE MICHIGAN COLLEGE TO ADOPT
RESIDENCY REQUIREMENTS FOR THE
POSITION OF COLLEGE PRESIDENT**

WHEREAS, the Residency Requirement Act, M.C.L. § 15.601 *et. seq.*, provides that the College may adopt a residency limitation on the position of President as a condition of employment.

WHEREAS, the Act provides that the residency limitation may require the College' President to establish and occupy a dwelling within the 20 miles of the nearest boundary of the College; and maintain this dwelling as their primary residence at which they eat their meals, receive their mail, sleep, maintain their voter registration, driver's license address, tax address and in all manners maintain as a normal residence.

WHEREAS, the Act has been interpreted to require that the distance limitation be measured in a straight line between the President's place of residency and the nearest boundary of the College.

WHEREAS, the Michigan Community College Act of 1966, M.C.L. § 389.1 *et. seq.*, expressly authorizes the Board of Trustees of Lake Michigan College to contract with, appoint, and employ a suitable person as President (chief executive officer) of the College, and to establish the terms and conditions of their service or employment.

WHEREAS, the Board of Trustees of Lake Michigan College, believes that it is in the best interest of Lake Michigan College to have a College President reside within the above geographical limitation, so that the College President can provide the most effective service to the College and College community.

NOW, THEREFORE, BE IT RESOLVED THAT, Lake Michigan College, in accordance with the Michigan Residency Requirement Act and the Michigan Community College Act of 1966, adopts the following residency limitations on the position of College President:

The President shall establish and occupy a dwelling within the 20 miles of the nearest boundary of the College; and maintain this dwelling as their primary residence at which they eat their meals, receive their mail, sleep, maintain their voter registration, driver's license address, tax address and in all manners maintain as a normal residence. The above distance limitation shall be measured in a straight line between the president's place of residence and the nearest boundary of the College. The President shall establish and occupy the dwelling within ____ days of their employment hire date.

Be it resolved that the Lake Michigan College Board of Trustees approves the Residency Requirement Policy intended to establish guidelines for the residency of the College President of Lake Michigan College (the College) as presented on this day 06 December 2016.



Debra Johnson
Secretary, Board of Trustees

MOTION by Mr. Bergan, with support by Mr. Curry, to approve the Residency Requirement Policy which is intended to establish guidelines for the residency of the College President of Lake Michigan College (the College) as presented.

ROLL CALL VOTE

Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry, Ms. Johnson, Mr. Bergan

Nays: None

Absent: None

APPROVED

Lake Michigan College President Search Committee Recommendation

The Lake Michigan College President Search Committee recommended moving four candidates for the position of College President forward in the interviewing process.

Motion by Dr. Lindley, with support by Dr. Maysick, to accept the Lake Michigan College President Search Committee's recommendation, and move four final candidates forward in the interviewing process.

Discussion

Ms. Truesdell commented that this was an arduous process for all who participated on the Search Committee, and that the Board acknowledges the Committee has done an exceptional job.

Dr. Lindley stated that as soon as the four candidates are contacted, the College will be releasing names and posting candidate information on the College website.

ROLL CALL VOTE

Yeas: Dr. Maysick, Ms. Truesdell, Ms. Tomasini, Dr. Lindley, Mr. Curry, Ms. Johnson, Mr. Bergan

Nays: None

Absent: None

APPROVED

BOARD MEMBER RETIREMENT

The Board took action on the retirement of Board of Trustee Dr. David Maysick at tonight's meeting.

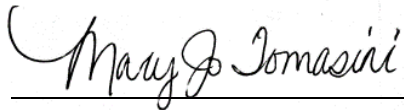
Discussion

Ms. Tomasini stated that Dr. Maysick has 18 years as a board member, and a total of 40 years with the College. She recognized his significant contributions to this organization, and the difference those contributions have made to this College.

Dr. Maysick commented that he has enjoyed immensely his time at Lake Michigan College.

ADJOURNMENT

MOTION by Dr. Maysick, with support from Mr. Bergan, to adjourn the Regular Meeting of the Lake Michigan College Board of Trustees at 6:32 p.m.



Mary Jo Tomasini, Board Chair



Debra Johnson, Board Secretary