

PORTLAND COMMUNITY COLLEGE - BOARD OF DIRECTORS
12000 S.W. 49th Avenue - Portland, OR 97219

MINUTES
BOARD OF DIRECTORS BUSINESS SESSION
Sylvania Campus, Board Rooms A/B
December 4, 2008

BOARD ATTENDANCE

Board Members Present:

Denise Frisbee, Jim Harper, Jaime Lim, Bob Palmer, David Squire, Harold Williams

EXECUTIVE SESSION

The Board of Directors convened an executive session for Labor Negotiations and Real Property Transactions in accordance with ORS 192.660 (2), (d) and (e) at 6:50 PM, adjourning at 7:31 PM.

CALL TO ORDER

Chair Frisbee called the business meeting to order at 7:40 PM and invited all present to introduce themselves.

APPROVAL OF MINUTES

The November 6, 2008 business meeting minutes were approved as published.

APPROVAL OF THE AGENDA

The agenda was approved as published.

INFORMATION SESSIONS

Willow Creek Project Update

Linda Degman, Project Manager, Willow Creek and Wing Kit Chung, Vice President, Administrative Services

Mr. Chung introduced Ms. Degman and asked her to update the Board on the Willow Creek Project. Ms. Degman said the project began last summer causing re-routing of TriMet buses for a period of time while initial work was done at the site. She noted the site is currently well under construction with all building footings completed, all columns installed, underground mechanical, electrical and plumbing complete, the first floor concrete complete, and preparation for pouring

the second floor concrete is underway. She added at the outset the building was scheduled to meet LEED Silver requirements. Currently the project is at LEED Gold with 48 points and an additional 8 points have been identified that may allow the building to achieve LEED platinum certification.

Ms. Degman said Oregon requires that 1.5% of the project budget be spent on solar photo energy systems; currently \$366,000 is budgeted for that purpose. By using a third party ownership model about three times the number of photovoltaic arrays will be installed by a third party vendor to provide energy for the building. Ownership of the system will be transferred to the College after six years of paying that third party vendor for the energy at the same rate as would be paid PGE. The cost of installing the system would be negligible to the college allowing most of the budgeted \$366,000 to be used for another purpose by PCC.

Ms. Degman said the second and third floor concrete will be poured between December 2008 and February 2009; March to April 2009 the roof should be on and then followed by formation of mechanical rooms, with facility completion on track for Fall 2009.

Mr. Chung reminded the Board that the Capital Center tenants are required to vacate the Capital Center at the end of December 2009. Upon completion of the Willow Creek facility, all Capital Center program staff except Financial Services will move there.

Mr. Chung said the cost of the 99-year land lease from TriMet for the Willow Creek facility is \$2.4 million and Board Resolution 09-023 authorizes a guaranteed maximum price of \$31.5 million for the construction of the facility. Additionally, PCC will spend approximately \$3 million for fixtures, furniture and technology bringing the total cost to slightly over \$36.8 million. He added that the state will fund about \$7.5 million of the cost with the remainder coming from the recently passed bond initiative.

President Pulliams and Chair Frisbee thanked them for the report.

Bond Update

Randy McEwen, District Vice President

Mr. McEwen's reported on staff's three current fields of endeavor: lessons learned from the last bond program, broad programmatic elements, and specific projects of the bond program.

He said that to avoid delays and making inappropriate assumptions a list of global questions is being developed on topics that may rise to the level of Board policy and applicable law. Discussion of these questions, beginning at the Board's January work session, will establish for staff the Board's direction on execution of the bond program.

Mr. McEwen said some of the broad programmatic aspects of the six to eight year program include detail budgets, the level of specific projects and specific cost components for each of the projects, direct construction and parsing out the indirect costs, then reconciling and making sure the program matches the \$374 million. Additionally, recommendations are being developed about campus based and central organizations needed to achieve success and identify steps that should be taken to include community involvement in the program to be followed by bringing that information to the Board for Discussion between now and September 2009.

In the final part of his update Mr. McEwen described some of the specific aspects of how the program components fit together including building the Willow Creek facility, renovation assessment of the Willamette Building and creation of the Newberg site. Benefits of this process include a possible single move for staff that must vacate the Capital Center rather than the multiple moves originally thought to be needed. Putting some of the public dollars to work quickly will benefit the public with creation of jobs, and students will be better served. He said other initiatives would be explored to obtain the most benefit from the bond program funds.

Budget Update – The Path Forward

Dr. Preston Pulliams, District President; Wing-Kit Chung, Vice President, Administrative Services

President Pulliams said in the Governor's budget release on December 1st, Community College funding was reduced by 3%, from \$500 million to \$485 million. This follows a cut from the current operating year budget. He said the College would be able to cope with the cut to the current year budget by closely monitoring discretionary spending and careful planning into the future using worst-case funding projections. He added that lobbying of the Legislature, especially by Board members will play a key role in the effort to get that Community College funding increased. He also noted that he looks forward to the Federations' lobbying for the College as they did last biennium. Dr. Pulliams noted that the College's Budget and Planning Advisory Committee met earlier in the day and has begun developing the principles for budget development for the next biennium and the committee's conclusions will be shared with the Board at the January work session. He also noted that it is important to continue making strategic investments when it makes sense to do so, especially in relation to access and growth. He added that if careful budget control is not enough and cuts become necessary they would be done strategically with discussions regarding priorities conducted throughout the college community. He said other components the College has some control over (to maintain the Board mandated budget reserve) are continuing increased enrollment, the size of the budget reserve, upcoming contract negotiations with the Classified and Faculty Federations, and potential increases in tuition or fees. He added that diligent work to convince the Legislature to increase funding to the College, especially in light of the current enrollment increase, must continue. He then called Mr. Chung

and Cherie Chevalier, Associate Vice President, Finance, forward to present a report on the path forward in the budget planning process.

Mr. Chung said that although the Governor's proposed budget is bleak the Legislature will propose a budget of their own. He also said that whether the final amount is \$485 million or \$500 million there will be budget challenges over the next biennium, especially the second year, because of increased expenses including salaries. He noted that upcoming negotiations with the federations and changes to the funding allocation distribution formula being proposed by other Oregon community colleges could have a negative impact on PCC's budget. Mr. Chung said that over the next three months the Budget Planning and Advisory Committee, the cabinet and College managers will work with Dr. Pulliams to propose a budget for the Board's consideration. He then asked Ms. Chevalier to describe the process, the budget-planning calendar and how the Board will be involved in the process.

Ms. Chevalier noted that preliminary work in the budget process has been on going for the past couple of months in anticipation of the Governor's budget message. She said College resources district-wide are being identified and reviewed to evaluate where revenues can be increased and expenditures decreased. She added that Academic Services, Administrative Services and Campus Presidents have been asked to submit anticipated new initiative needs for the next biennium.

Those new initiative needs will be evaluated as to how they meet PCC's strategic focus and what types of initiatives can be brought forward to help the College grow while bringing in revenues or are revenue neutral. She then went over the budget calendar noting that on May 27th staff will take the budget to the Tax Commission for a public hearing where property tax levies will be set. At the June 18th Board Business meeting a Resolution for adoption of the 2009 – 2011 biennial budget will be presented to the Board for approval. She noted that the budget must be approved by the end of June and filed by July 15th.

Mr. Chung noted that on the budget planning calendar that was distributed to Board Members the highlighted areas indicate formal Board involvement. He said that at each Board meeting through March 2009 budget updates will be presented to keep Board members abreast of the process. President Pulliams added that at the Board work session on January 9 a list of possible budget scenarios beginning with a \$485 million funding allocation and gradually moving up will be presented to the Board, showing projected revenues and expenditures and how that relates to possible tuition increases, program impacts and other issues.

PUBLIC COMMENT ON AGENDA ITEMS

None

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

BUSINESS MEETING

Director Harper proposed approval of Resolutions 09-041 through 09-042. The motion passed unanimously.

Other Reports:

Eddie Lincoln, Faculty Federation President, said the bargaining survey has been sent to faculty and academic professionals in preparation for contract negotiations that will begin in January of next year. He invited Board members to the Federation holiday party to be held December 11th from 5 to 7pm at Sylvania Campus. He also noted that many PCC employees have been impacted by the downturn in the economy and both the Classified and Faculty Federations are raising funds and sponsoring family members who have been negatively impacted or lost their jobs in the economic downturn. Additionally the Faculty Federation has worked with ASPCC to identify two student families suffering hardship and is providing resources to them.

Mr. Lincoln mentioned that the Post-secondary Quality Education Commission, established by Governor Kulongowski requested information from colleges and universities in April of this year to evaluate and assess faculty and program quality. PCC's information was not represented in the evaluative study because it was not submitted until November and that information submitted was incomplete. He said the information was important to the Federation and asked that be made available to them. He concluded saying the Federation will keep the Board abreast of progress with upcoming labor negotiations.

Deborah Hall, Classified Federation President, also extended an invitation from the Classified Federation for the Board to attend their holiday party next Thursday in the TLC and CC Building Mall. She noted that meetings with the Classified bargaining team have begun and the first meeting with PCC management will be held later in December to discuss the negotiation schedule. She anticipates collective bargaining to begin in January or February for a contract to replace the current contract that expires on June 30th.

Ms. Hall said assistance would be provided to about eight families from the Classified Federation during the holiday season. She said Deborah Evind from the Sylvania Women's Resource Center notified her that students and several classified staff have sought assistance through the Women's Center for economic help. Ms. Hall said the Federation will provide assistance as they can in securing public funding, loans, food, clothing and housing for students and Classified staff in need.

Ms. Hall noted that Linda Degman gave a presentation at the Extended Learning Center holiday party about the Willow Creek facility that highlighted the sustainable aspects of the facility as evidenced with the possibility of achieving the LEED Platinum status. She believes district voters appreciate PCC being conscientious stewards of public money in these projects.

ASPCC Student Representative Deanna Puetz reported that each campus in the district has initiated adopt a family program with record interest in the project by students and faculty and that each campus has been collecting food for the Oregon Food Bank as well as socks for the Rock Some Socks Drive to help community members in need during the holiday season. She also noted that the students are excited to report that they have been working this year to increase open communication with College leaders and interest has been expressed by the President's Cabinet members in building that communication. She invited Board members to attend the next District Student Council meeting December 11th at Sylvania Campus.

Board Reports:

Director Williams invited Board members to attend party to honor outgoing Mayor Tom Potter on December 18th at City Hall.

Director Squire reported that several Board Members recently attended the Annual OCCA conference chaired by Director Harper. He particularly enjoyed a session where Board members from many colleges discussed issues and solutions important to each of them.

Chair Frisbee reported that President Pulliams and the Foundation hosted a well-attended event to thank contributors to the Foundation, sponsors for the Foundation Golf Invitational and those who had contributed to the bond initiative campaign. She noted that several of the contributors commented to her that they are often asked for contributions but rarely thanked in such a manner. She congratulated staff on the success of that event. She also congratulated the Willow Creek team in their efforts to reach the LEED Platinum category on the first project following the passage of the bond initiative.

Director Harper thanked Dr. Pulliams for reminding attendees at the event that there is still a need to contribute to the scholarship fund so that the College can continue to provide much-needed scholarships.

District President Report:

President Pulliams asked Kristin Watkins for an update on the Miller Match campaign that offers the opportunity of raising approximately \$660,000 more in scholarship funding than last year, which would provide \$1 million in scholarships next year. Ms. Watkins said that if the Foundation raises approximately \$700,000 for scholarships the Miller Foundation would match \$340,000 of that. To date

about \$450,000 has been raised which means another \$250,000 is needed to reach the \$700,000 required to receive the \$340,000 match.

President Pulliams wished faculty, staff and Board members all the very best for the upcoming holiday season and reminded them about the holiday reception on December 10th, 5:30-7 PM at the Heathman Hotel. He also reminded them about the January 9th work session that begins with breakfast at 8 AM and will conclude around 1:30 PM. He thanked Board members for their willingness to participate in the legislative breakfasts that will be hosted by the campus presidents scheduled over the next two weeks.

The President reflected that 2008 has been a great year for the College thanks to the leadership, insight, and support of the Board of Directors. He noted that early in 2009 PCC would host a presentation by an internationally respected leader and scholar, Dr. Cornel West. He concluded his report saying that voters' recent passage of the largest educational bond measure in state history indicates strong community support for the direction the Board has established for the College in serving students. With that he wished everyone happy holidays and a great, even more prosperous 2009.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:20 PM.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on January 15, 2009 at 7:30 PM in Building 9, 122 a/b at Rock Creek Campus.

Denise Frisbee, Board Chair

Dr. Preston Pulliams, District President

Prepared by:

Lorna J. O'Guinn
Assistant to Board of Directors

Minutes approved on January 15, 2009