

SOUTHEAST COMMUNITY COLLEGE

Chairperson Seim called the regular meeting of the Southeast Community College Board of Governors to order at 3:00 p.m. on Tuesday, May 15, 2018, at the Milford Campus, Dunlap Center, Rooms A & B, 600 State Street, Milford, Nebraska.

Roll Call:

Present:

Nancy Seim, Lincoln
James Garver, Lincoln
Robert FejtLincoln
Kathy Boellstorff, Johnson
Dale Kruse, Beatrice
Steve Ottmann, Dorchester
Edward Price, Lincoln
Donald Reiman, Virginia
Lynn Schluckebier, Seward
Kristina YatesLincoln
Pat Galitz, Faculty Representative
Zac James, Milford Student Representative

Absent:

Terrence Kubicek, Lincoln (absent due to work commitment)

Others Attending:

Paul Illich, President
Rex Schultze, Legal Counsel
Lynda Heiden, SCC Area

Registered Visitors:

Stu Osterthun, SCC Area
Bruce Tangeman, SCC Area
Dennis Headrick, SCC Area
Robin Moore, SCC Area
Ed Koster, SCC Milford
Bev Cummins, SCC Lincoln
Kenton Baughman, SCC Milford
Bob Morgan, SCC Beatrice
Jim Iseman, Faculty Association
Karen Kolt, Design & Drafting Faculty
Jose J. Soto, SCC Area

Chairperson Seim welcomed everyone to the meeting.

- With regard to the Consent Agenda item for minutes, I abstain from the action with regard to minutes of April 17, 2018, and vote to approve all other Consent Agenda items.
Mr. Garver

Financial Report

Dr. Illich reviewed the financial report for the period through April 30, 2018. He also reviewed the investment accounts.

Budgeted Revenue/Actual Revenue & Budgeted Expenses/Actual Expenses

Revenue:	Variance	
Local Taxes	(\$737,538)	
Tuition	(\$480,734)	
Other	\$279,722	
Total Revenues	(\$1,106,274)	-1.52%
Expenses		
Personal Service:	(\$5,769,908)	
Operating	(\$292,844)	
Travel	(\$136,967)	
Equipment	12,410	
Total Expenses	(\$6,187,309)	-8.3%
Net Position	\$5,081,035	

The budget report ending April 30, 2018, showed:

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Board Team Reports

Executive. Chairperson Seis stated the team met and set the agenda.

Finance & Facilities. Ms. Boellstorff stated the team met prior to the Board meeting. They reviewed the bids for the HVAC chiller system for 88th & O Streets, which is an action item later in the meeting. They will start as soon as possible if approved with fall completion. Aaron Epps provided a chart to the Facilities Team showing the progress on projects.

NCCA. Mr. Schluckebier reported that the NCCA Board met on May 7. They approved the 2019 budget, reviewed the audit, and executive director's evaluation review process. They also viewed a presentation by Ms. Cummins.

The NCCA Board had a meeting in January, and Mr. Adams reviewed the legislative session with them. Each week during the legislative session, Mr. Adams had an excellent job of keeping them well-informed.

President's Report

Dr. Illich reported on and/or handed out information on the following:

- Phase I projects Dr. Illich reviewed the project status. He pointed out that as of April 25, approval for the classroom building for the health sciences building has been given by the Coordinating Commission for projects submitted. Construction Management Risk for the Falls City Learning Center and () TJ EM-2.9 bttthe Fs 0 Td [(t)-4.1 (h

(AACC Daily Report of May 21, 2017 stated Many of today's foundational concepts for community colleges were established during Parnell's tenure as AACC President from 1981 to 1994 the associate degree was defined and created; community colleges were recognized for their importance to workforce development; and the concept of "2+2" (two years of high schools leading to two years of postsecondary education) established.)

- An RFP for food vendors at the Lincoln Campus is being developed.
- Theresidential room rates will be approved this fall since the College is going to semesters August 2019.
- After working with ly -82 0 T11 0 (ITd (9S0.1I-5.8 (l)gil319 (el)1.8 (o))-2 0n)-2 (g)(p)-8.6 (p)-8.68j -0.0

NIMS (National Institute for Metalworking Skills) is currently working with the SCC Precision Machining and Automation program to see what avenues need to be taken to have the program become NIMS certified and credentialed. This will most certainly put SCC on the map at a national level, with both Mr. King and the NIMS organization in our corner.

He came away from his tour of the Precision Machining and Automation Program proved extremely impressed. Upon hearing all that the students were taught, and the equipment they had the opportunity to run in this program, Mr. King stated to the instructors of that program:

"I have been to over 1500 technical schools throughout the United States. I can say without a doubt you are one of the top 3 that I have ever had the privilege to visit. I cannot emphasize enough how impressed I am, and to let you know that SCC is doing it right. Don't change a thing, the whole nation needs to see this"

Finally, outside of the SCC:

The following day after his SCC visit, Mr. King had the opportunity to visit various manufacturing facilities across Nebraska. Each one opening his eyes to what Nebraska has to offer the nation when it comes to industry-leading technologies and practices.

He was so impressed he plans on returning to Nebraska in the fall and bringing others from NIMS and hopefully this would influence those in Washington to consider that "There is so much more to Nebraska than Cows and Corn!"

Administrative Presentation/Board Review

NCCA Update

Greg Adams, Executive Director of the NCCA, provided update on the recent legislative session. State aid will be cut 1% from this year's budget and 2% from the next year's budget.

Mr. Adams pointed out that Senator Bowles worked very hard for the community colleges.

Next session property tax should be back into the discussion about balancing property tax.

Mr. Adams urged Board members to talk to state senators. He felt that the community college board members were in the Legislature was beneficial. He indicated he had the NCCA Highlights booklet revised, which proved useful.

Design & Drafting Technology Presentation

Paul Buell, Program Chair, and faculty members Karen Koch and Wendy Love, gave an overview of their program—Design & Drafting Technology-Architecture Design Focus. It is a two-year program, with a focus on buildings. An informational sheet was handed out on the program. There is a large demand for graduates from this program, with starting wages in the \$17-\$25 range.

Mr. Buell set up a demonstration that is used in their Strength of Materials to Class to determine how much weight a foam board beam can hold. During sand into a bucket the beam held approximately 24 lbs. before it collapsed.

Review of Preliminary 2018 -19 Budget

A preliminary 2018-19 budget was presented for review. The budget included the continuation budget and expanded budget requests.

Dr. Illich reported that property valuations are 2 to 3.5% less than anticipated. As they don't want to raise property tax this year, they will need to find approximately \$1.5 to \$2 million to cut.

Dr. Illich reviewed revenue sources, expanded positions, state aid, and capital improvement projects.

Ms. Jorgens indicated the preliminary budget will be brought to the Board for approval in June. Approval for advertising will not be presented until July or August.

*Ms. Boellstorff left at 4:28 p.m.

*Chairperson Seim declared the Board in recess at 4:34 p.m.

*Chairperson Seim declared the Board in regular session at 4:45 p.m.

DISCUSS, CONSIDER AND TAKE ALL NECESSARY ACTION WITH REGARD TO:

ACCT Dues

Mr. Garver moved to pay the 2018-19 ACCT dues in the amount of ~~\$6104~~ ~~Seconded~~ by Mr. Schluckebier.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

<u>FOR (8):</u>	<u>AGAINST (0)</u>	<u>ABSENT (3)</u>
Garver		Kubicek
Schluckebier		Feit
Reiman		Boellstorff
Yates		
Price	<u><i>Motion Carried</i></u>	
Ottmann		
Kruse		
Seim		

Program Reviews

Dr. Kruse moved to adopt the 2016-17 program review schedule recommended actions and to forward the reviews and recommendations to the Coordinating Commission for Postsecondary Education. Seconded by Mr. Schluckebier

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

<u>FOR (8):</u>	<u>AGAINST (0)</u>	<u>ABSENT (3)</u>
Kruse		Kubicek
Schluckebier		Feit
Reiman		Boellstorff
Garver		
Ottmann	<u><i>Motion Carried</i></u>	
Yates		
Price		
Seim		

Bid for HVAC Replacement at 88 & O

Mr. Ottmann stated that the Facilities Team recommends approval of the In Air Handler replacement project. This project will replace the existing main air handling unit and chiller, convert the system to glycol, modify duct work to adequately supply an increased volume of air, and integrate the new controls and refrigerant detection systems into the campus building automation system. The engineers estimate was \$1,520,000. The low bid was from NGC group for \$1,510,000.

Mr. Ottmann moved approval of the project and to accept the bid from NGC of \$1,510,000. Seconded by Dr. Kruse.

Chairperson Seim asked for discussion. There was none.

Roll call vote follows:

<u>FOR (8):</u>	<u>AGAINST (0)</u>	<u>ABSENT (3)</u>
Ottmann		Kubicek
Kruse		Feit
Garver		Boellstoff
Price		
Yates	<u><i>Motion Carried</i></u>	
Schluckebier		
Reiman		
Seim		

Property Transfer Agreement with the SCC Educational Foundation

Derek Aldridge, legal counsel, reviewed the transfer agreement of the gifting of approximately 50 acres of property to the SCC Educational Foundation.

Mr. Ottmann moved that Southeast Community College (College) should and does hereby: (1) authorize entering into a Property Transfer Agreement with the Southeast Community College Educational Foundation for the transfer to the College of approximate 50 acres of real property, along with buildings and other improvements thereon, south of the College's Beatrice Campus in Gage County, Nebraska; (2) approve the Property Transfer Agreement to be filed with official College records and as presented at this meeting, or with such changes as are necessary and approved by the President of the College; (3) authorize and direct the President of the College, or a designee for the College, to sign, execute and deliver such Property Transfer Agreement, as may be amended or modified, and any documents or agreements called for in such Property Transfer Agreement, for and on behalf of the College; and (4) authorize and direct the President of the College to retain any necessary professionals for assistance; to pay any transaction and closing costs and expenses related to the transfer of the real property, buildings and improvements, to take or cause to be taken all other action necessary or appropriate to complete any requirements or obligations under the Property Transfer Agreement, and to close the transfer and convey the property.

modified, and any documents or agreements called for in such Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases, for and on behalf of the College; and (4) authorize and direct the President of the College to employ necessary professionals for assistance, to pay the purchase price of \$1,200,000, to pay any other transaction and closing costs and expenses related to the transfer of the building, the ground lease, and the building sublease agreements, to take cause to be taken all other action necessary or appropriate to complete any requirements or obligations under the Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases, and to close the purchase, transfer and close transaction upon presentation by seller of good title and an acceptable quitclaim deed, ground lease assignment and assumption, sublease assignment and assumptions, building tenant estoppel certificates, and any other necessary documents on the described real property to be transferred and received by the College under the Asset Purchase Agreement and Agreement to Assign and Assume Ground Sublease and Building Subleases. Seconded by Mr. Ottmann.

Chairperson Seim asked for discussion. There was no discussion.

Roll call vote follows:

<u>FOR (8):</u>	<u>AGAINST (0)</u>	<u>ABSENT (3)</u>
Garver		Kubicek
Ottmann		Feit
Price		Boellstorff
Kruse		
Yates	<u>Motion Carried</u>	
Schluckebier		
Reiman		
Seim		

Lease Termination Agreement

Mr. Aldridge reviewed the lease termination agreement, indicated that Rare Earth Holding Company has a long term lease. They negotiated for early termination, with an incentive to terminate. Payment will be phased in so it is not all paid upfront. This will be due when they move in June 2019. They are building an office on the north side of Beatrice, the College will accommodate them until their new building is completed.

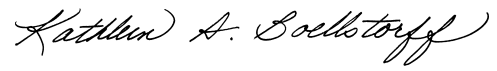
A telemarketing firm is the other tenant and their lease was up. They are on a 12 month lease and should be out by January or February 2019.

Mr. Schultze pointed out that Mr. Aldridge and Mr. Morgan have spent weeks working to get everything straightened out. After this is all completed the College will have clear title of ownership and one legal description for the campus.

Mr. Ottmann moved that Southeast Community College (Colle

Adjournment

Chairperson Seid adjourned the meeting at 5:17m.

A handwritten signature in cursive script that reads "Kathy A. Boellstorff".

Kathy Boellstorff
Board Secretary

**SOUTHEAST COMMUNITY COLLEGE
Personnel Changes**

May 4, 2018

Personnel Report: Staff (Non-Faculty)

NAME	ASSIGNMENT	ACTION TAKEN				EFFECTIVE DATE	COMMENT
		AD	RP	RS	TR		

AD=Addition RP=Replacement RS=Resignation TR=Transfer

**SOUTHEAST COMMUNITY COLLEGE
Personnel Changes**

May 4, 2018

Personnel Report: Faculty

ACTION TAKEN

NAME	ASSIGNMENT	SALARY	AD	RP	RS	TR	EFFECTIVE DATE	COMMENT
Feis-Christy, Mary	Instructor, Human Services (.75 FTE) – Community Services & Extended Learning Division			X			7/10/18	Replaces Jennifer Engelhaupt
Haag, Gordon	Instructor, Business – Business Division				X		6/08/18	Retirement
Hartwell, Fran	Instructor, Long Term Care Administration – Business Division						7/1/18	Permanent reduction in contract from 1.0 to .75 FTE
Ives, Jeffrey	Instructor, Electrical & Electromechanical – Construction/Electronics/CIT & Mfg. Division			X		X	7/1/18	Reassignment Replaces Paul Cummins
Kuszak, Don	Instructor, Professional Truck Driving - Transportation/ Welding & Agriculture Division				X		5/01/18	
Morphew, Rick	Instructor, Auto Tech – Transportation/ Welding & Agriculture Division				X		6/30/18	Retirement
Schoonveld, Eldon	Instructor, Auto Collision – Transportation/ Welding & Agriculture Division				X		6/30/18	Retirement
Thompson, Aaron	Instructor, Building Construction – Construction/Electronics/CIT & Mfg. Division				X		6/07/18	
Williams, Christopher	Instructor, Ford ASSET - Transportation/ Welding & Agriculture Division				X		4/30/18	

AD=Addition

RP=Replacement

RS=Resignation

TR=Transfer