

WILLIAM RAINEY HARPER COLLEGE
1200 W. Algonquin Road
Palatine, Illinois

SPECIAL MEETING

AGENDA

November 13, 1989

8:30 p.m.

- I. Call to Order
- II. Roll Call
- III. Canvass of Election Exhibit III
- IV. Adjournment sine die
(Newly-elected Board members will take
their places at the Board table.)
- V. Call to Order
- VI. Roll Call
- VII. Election of Officers for 1989-90: Chairman
Vice Chairman
Secretary
- VIII. Establishment of Regular Meetings:
Dates, Time and Place Exhibit VIII
- IX. Employment of Financial Advisors and Bond Counsel Exhibit IX
- X. Other Business
- XI. Adjournment

WILLIAM RAINEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512
COUNTIES OF COOK, KANE, LAKE AND MCHENRY, STATE OF ILLINOIS

Minutes of the Special Board Meeting of Monday, November 13, 1989

CALL TO ORDER: The special meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman Barton on Monday, November 13, 1989 at 8:35 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine.

ROLL CALL: Present: Members Barton, Coste, Howard, Moats and Norwood
Absent: Members Miller, Orzech and Student Member Ivarson

Also present: Paul Thompson, President; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David Williams, V.P. Academic Affairs; Laurie Wren, Recording Secretary; Vic Berner, Dean of Business Services and Finance; Charles Harrington, Dean of Instruction; George Voegel, Dean of Curriculum Development; Larry Bielawa, Director of Personnel; Don DeBiase, Director of Physical Plant; Ray Devery, Director of Development and External Affairs; and Elaine Stoermer, Director of College Relations. Classified/Professional Technical Staff: Steve Dudek, Accounting Manager; Pat Carney, Secretary II; Donna Drake, Executive Secretary; Peg Gorman, Personnel Specialist; Myriam Hegy, Administrative Secretary, Leon Hussissian, Audiovisual Technician; and Joan Young, Publications and Communication Services Manager. Harper student: Eric Wurzer.

CANVASS OF ELECTION:

Chairman Barton stated that members of the College staff have been designated as canvass teams and Board members are free to observe the proceedings as in the past. Vice President Manke explained the procedure to be used for the canvass. He stated that the envelopes containing the official results will be opened and compared with the unofficial results which were tabulated on election night. Copies of the completed Abstract of Votes will be delivered to the county clerks' offices on November 14.

Member Howard moved, Member Norwood seconded, to authorize the canvass of the election and proclamation of the results.

In a voice vote, the motion carried.

Members Miller and Orzech entered the meeting after the start of the canvass.

ADJOURNMENT
sine die:

Member Miller moved, Member Howard seconded that the meeting be adjourned sine die. In a voice vote, the motion carried at 9:16 p.m.

Chairman

Secretary

WILLIAM RAINEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512
COUNTIES OF COOK, KANE, LAKE AND MCHENRY, STATE OF ILLINOIS

Minutes of the Board Reorganization Meeting of Monday, November 13, 1989

CALL TO ORDER: The reorganization meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman pro tem Barton on Monday, November 13, 1989 at 9:17 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine.

ROLL CALL: The roll was called by Secretary pro tem Norwood.

Present: Members Barton, Coste, Howard, Miller, Moats,
Norwood and Orzech

Absent: Student Member Ivarson

Also present: Paul Thompson, President; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David Williams, V.P. Academic Affairs; Laurie Wren, Recording Secretary; Vic Berner, Dean of Business Services and Finance; Charles Harrington, Dean of Instruction, George Voegel, Dean of Curriculum Development; Larry Bielawa, Director of Personnel, Don DeBiase, Director of Physical Plant; Ray Devery, Director of Development and External Affairs; and Elaine Stoermer, Director of College Relations. Classified/Professional Technical Staff: Steve Dudek, Accounting Manager, Pat Carney, Secretary II; Donna Drake, Executive Secretary; Peg Gorman, Personnel Specialist; Myriam Hegy, Administrative Secretary; Leon Hussissian, Audiovisual Technician; and Joan Young, Publications and Communication Services Manager. Harper Student: Eric Wurzer.

ELECTION OF OFFICERS:

Chairman pro tem Barton explained that an election of Board officers is held annually, in accordance with Harper College Board policy.

Member Coste moved, Member Howard seconded, that Member Barton continue to serve as Chairman for another one-year term. There were no further nominations for Chairman.

Upon roll call, the vote was as follows:

Ayes: Members Coste, Howard, Miller, Moats,
Norwood and Orzech

Nays: None

Abstain: Member Barton

Member Barton was unanimously elected as Chairman.

Member Moats nominated Member Orzech for Vice Chairman.
Member Norwood nominated Member Miller for Vice Chairman.

ELECTION OF OFFICERS:
cont.)

In a voice vote, Member Miller was elected Vice Chairman by a majority vote.

Member Moats moved, Member Norwood seconded, that Member Orzech be nominated to serve as Secretary of the Board.

Upon roll call, the vote was as follows:

Ayes: Members Barton, Coste, Howard, Miller,
Moats and Norwood
Nays: None
Abstain: Member Orzech

Motion carried.

Chairman Barton expressed appreciation to Member Norwood for her services as Board Secretary during the past four years.

BOARD LIAISON APPOINTMENTS:

As a result of recent discussions with Board members, Chairman Barton announced that the following liaison assignments have been made: Member Miller - Educational Foundation, Member Orzech - Friends of Harper, and ICCTA (Illinois Community College Trustees Association) - John Coste, with back-up assistance from Members Orzech and Barton.

ESTABLISHMENT OF REGULAR MEETING DATES:

Chairman Barton called attention to Exhibit VIII, the establishment of regular Board meeting dates. She stated that a request had been made to change the November 1990 Board meeting date to Monday, November 19.

Member Orzech moved, Member Miller seconded, that the Board of Trustees adopt the resolution, as amended, to establish the dates, time and place of regular Board meetings for 1990-91, according to Exhibit VIII (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Barton, Coste, Howard, Miller,
Moats, Norwood and Orzech
Nays: None

Motion carried.

Member Norwood commented about Committee of the Whole meetings. She felt that these meetings were scheduled to replace various Board committee meetings which were being held and voiced concern that these meetings have become a permanent part of each month's agenda. She agreed that some of these are necessary in order to review the College budgets. However, she added that she is committed to the fourth Thursday of each month but is not in favor of two meetings per month on a regular basis. She felt that additional meetings should be called when necessary.

**REGULAR
MEETING
DATES:
(cont.)**

Chairman Barton explained that the Committee of the Whole meetings have been scheduled so that the dates are on the calendar if it is determined that a second monthly meeting is necessary. Member Moats stated that all meetings are Board meetings and should be called as such. Member Miller agreed with Member Moats. He added that when Committee meetings are not treated as Board meetings, there is a tendency toward redundancy with lengthy discussions at both monthly meetings. He felt that this is not always appropriate.

Member Orzech stated that approximately five Committee meetings are needed in order to discuss the budget and possibly the remaining meetings could be cancelled. Member Howard stated that she had no problem referring to all meetings as Board meetings. She felt that the intent was to have different types of agendas, with committee meetings held for purposes of study, review and/or information.

Member Moats requested that Committee of the Whole meetings, when necessary to be held, be referred to as Board meetings. He requested that the administration prepare a recommendation on this matter for the December Board meeting.

President Thompson stated that, according to College policy, a schedule of regular Board meetings must be announced. A cancellation notice is sent out for any meeting which is deemed unnecessary. If an additional monthly meeting is needed, it could be called a Special Board meeting rather than a Committee of the Whole meeting.

Chairman Barton stated that the custom of annually changing the seating for Board members was initiated last year. She requested that Board members who would like to discuss this matter contact her prior to the regular meeting on November 21.

**EMPLOYMENT
OF FINANCIAL
ADVISORS AND
BOND COUNSEL:**

Member Coste referred to Exhibit IX, the employment of financial advisors and bond counsel to provide services related to the sale of General Obligation Community College Building Bonds and funding of capital improvements (attached to the minutes in the Board of Trustees' Official Book of Minutes).

President Thompson explained that the recommendation was for approval of a financial advisor and bond counsel which would commence the process leading to a recommendation on December 14 for approval of a bond sale. The administration recommends authorization for Kane McKenna & Associates and George K. Baum Company as financial consultants.

EMPLOYMENT
OF FINANCIAL
ADVISORS AND
BOND COUNSEL:
(cont.)

Member Moats questioned the need for two financial advisors. Vice President Manke stated that the two firms are working in conjunction on this matter and will share the commission. The fee is competitive with the market for the services to be provided. The bonds are to be sold by Kane McKenna on a public bid basis. President Thompson added that the administration has viewed the sale of bonds in an overall picture. After a bond sale, the matter of state funding comes into focus and the administration believes that the representatives of George K. Baum Company can be of significant assistance in this regard. They are recognized, reputable individuals who have experience in dealing with financial matters at the state level.

Vice President Manke added that the \$6,000 consulting fee will be applied to the fee charged if the bonds are sold. A fee for the second phase bond sale has not been established as yet. A fee of three-quarters of one percent has been set for the \$3 million dollar bond sale. If additional bonds are sold to finance the balance of the project, the \$6,000 fee would apply against whatever fee is charged. The administration is recommending a bond sale in the amount of \$3,035,000. Based on a decision by the Board, it is possible that no bonds will be sold for the second phase of the project. Member Howard clarified that the sale of bonds for the bookstore is for phase II and is strongly recommended by the administration. Vice President Manke agreed and felt that it may be possible for community colleges to receive additional funding allocations which would be very beneficial to Harper.

Member Moats observed that this is a simple bond sale and asked if competitive proposals had been requested. He felt that three-fourths of one percent was a good commission and that there are many financial firms in the area. Vice President Manke agreed that there are other reputable firms which would be capable of handling this matter. He added that the College was very successful with this firm in the past; they are familiar with Harper, having done work on the working cash bond sale and life safety projects, and their fee is reasonable for the size of the bond issue.

Member Howard agreed with Member Moats' observation. She added that the administration is looking beyond the initial bond sale with this recommendation.

Member Coste stated that he had no problem with the two firms or with the bond sale. However, he reiterated his concern that there is no funding plan for this project. He inquired about local funds for the project. He noted the surplus College funds and an additional windfall to be forthcoming next summer. Member Coste stated that he would vote to approve the bond issue but stated emphatically that he would not vote to approve any other

**EMPLOYMENT
OF FINANCIAL
ADVISORS AND
BOND COUNSEL:**
(cont.)

requests until a funding plan is received. He questioned when the local match would cease. He pointed out that these are Board decisions of utmost importance.

Member Howard stated that it was her understanding that the \$1.5 million bond sale will not be paid for by the taxpayers. Member Coste replied that you cannot issue bonds any other way than to put costs on the taxes. He noted that the present bookstore profits are going into the College operating budget. He pointed out that the College has resources, but it is the responsibility of the Board to determine if and how the money will be expended. He stated that the amount of state funding to be received is uncertain and the Board must determine how much local money will go into this project.

President Thompson stated that the administration is working on a list of the various funding possibilities. These will be prioritized and three or four options will be submitted to the Board for consideration.

Member Coste reiterated that the Board must decide how far this project will be funded with local money. In addition, he felt that a second bond issue should not be considered because there are alternative resources available.

Member Moats agreed that the Board must review the various funding options that are available in order to deal properly with the matter. In addition, he felt it was necessary to be aware of the building priorities. Member Moats repeated his past concerns about justifying the proposed bond sale to the taxpayers/supporters of the 1975 referendum.

Member Howard moved, Member Miller seconded, that the Board of Trustees authorize the employment of Kane McKenna & Associates and George K. Baum Company as financial consultants to develop funding strategies for the space planning program and to market the College's bonds. The services will be provided in two phases. For Phase I, which includes the sale of \$3,035,000 General Obligation bonds authorized in 1975, the fee for their services will be 3/4 of 1% of the principal amount. Phase II consulting services would provide for assisting the College to obtain State funds and to develop other funding sources. The Consultant shall receive an initial \$6,000 for Phase II services. If the district decides to issue additional bonds as part of Phase II funding strategy, the fee shall be mutually determined by the amount of bonds sold and the \$6,000 initial payment shall serve as a credit against the Phase II bond service fees. In addition, the motion included that the Board authorize the employment of Chapman and Cutler as bond counsel for bond sale, as outlined in Exhibit IX (attached to the minutes in the Board of Trustees' Official Book of Minutes).

EMPLOYMENT
OF FINANCIAL
ADVISORS AND
BOND COUNSEL:
(cont.)

Upon roll call, the vote was as follows:

Ayes: Members Barton, Coste, Howard, Miller,
Norwood and Orzech
Nays: Member Moats

Motion carried.

Member Coste requested that the minutes indicate that his affirmative vote is based on the receipt of definitive information regarding the options for funding and that the Board reaches a consensus on the amount of local funding which will go into this project. Member Moats pointed out that he would not be opposed to a referendum as one option.

In regard to the funding, Member Howard stated that one of her concerns is that the Board talks about this in terms of one project although it is a combination of several projects, including new construction and remodeling. It is possible that all of these projects may not be done or may be accomplished over a period of years. In addition, she noted that there are various funding options and some of the projects have a higher priority than others. In addition, some projects will require more local funding than others. She asked if Member Moats wanted a 'cap' on the total amount to be expended or on specific portions of the project. Member Coste replied that the proposed projects total \$16.5 million and the recommendation includes a proposal to sell approximately \$3 million in bonds. He reiterated his concern that there is no specific funding plan at this time and questioned how much of the \$16.5 million would be funded with local resources.

Chairman Barton acknowledged that the administration is in the process of preparing the information requested by the Board.

ADJOURNMENT:

Member Norwood moved, Member Orzech seconded, that the meeting be adjourned. Motion carried and the meeting was adjourned at 10:05 p.m.

Chairman

Secretary